

Shallow Gas Play in The Netherlands Takes Off

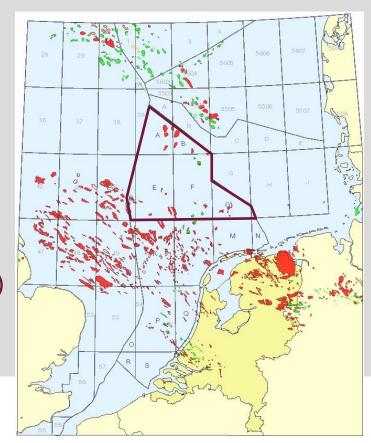


Mijke van den Boogaard & Guido Hoetz 74th EAGE Conference & Exhibition 2012 Copenhagen



Outline

- 1. EBN B.V.
- 2. Background Shallow Gas in the Dutch Offshore
 - Definition
 - Geological setting
- 3. Why Explore for Shallow Gas?
- 4. Shallow Gas Inventory EBN
- 5. Case Study F07/F10-P1 (Open Acreage)
- 6. Summary







EBN B.V.

Independent company with the state as it's sole shareholder

Mission

Optimally exploit subsurface & contribute to sustainable energy supply

Strategy

Facilitate & stimulate operators to optimize E&P

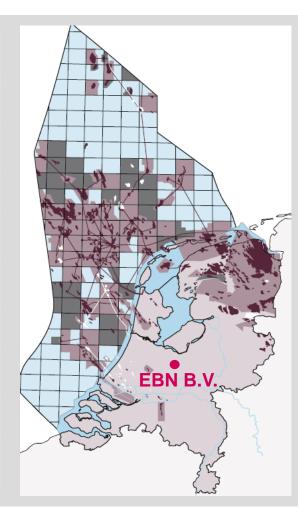
Contribute to sustainable energy management

Explore & develop new subsurface potential



1. EBN B.V. Key figures

	2011
Productive fields (EBN participation)	258
Exploration participations	47
Production participation	125
Gas sales volume EBN share (bcm*)	30
Reserves EBN share (bcm)	431
Exploration wells drilled	19
Production wells drilled	38
New fields in development	12
Payments to state (billion €)	5.8



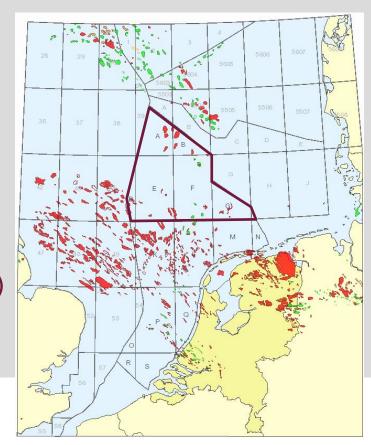


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1. EBN B.V.

2. Background Shallow Gas in the Dutch Offshore

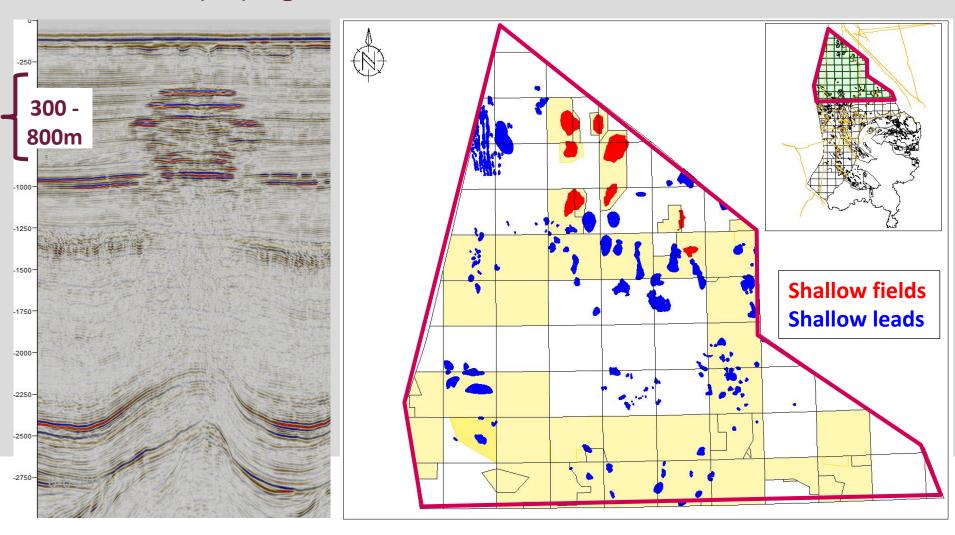
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2. Background Shallow Gas in the Dutch Offshore Definition

Shallow Gas (SG) = gas in unconsolidated sands, Miocene-Pleistocene



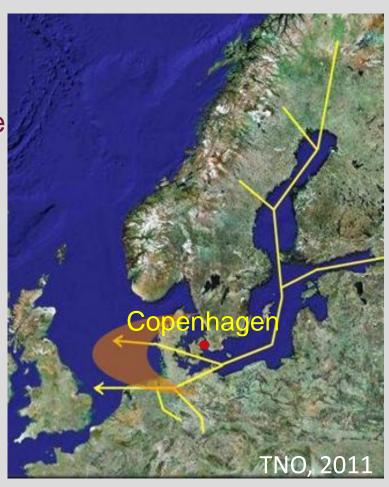


2. Background Shallow Gas in the Dutch Offshore Geological Setting

Eridanos delta:

- Late-Cenozoic river delta system
- In NL: Late Miocene Early Pleistocene

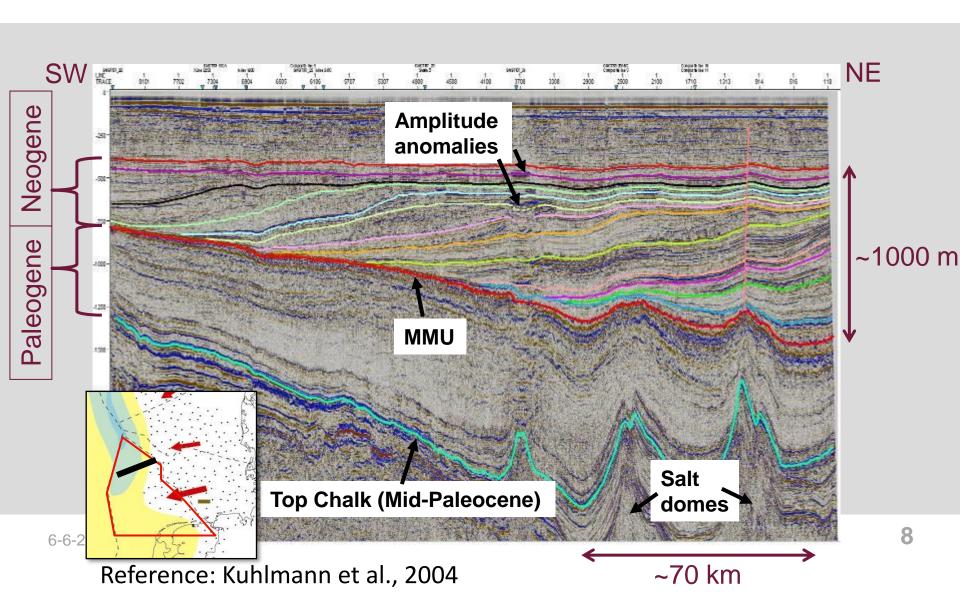




Reference: Kuhlmann et al., 2004



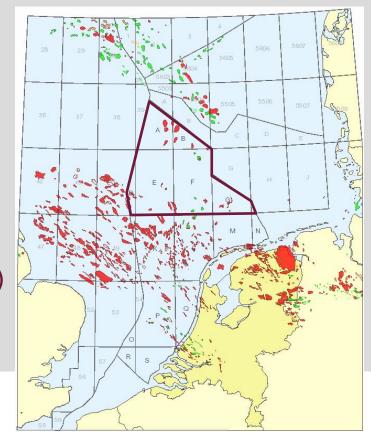
Background Shallow Gas in the Dutch Offshore Geological Setting





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3. Why Explore for Shallow Gas? History

Occurrence shallow leads known since early 70s

 Presence producible shallow gas proven by wells in 80s

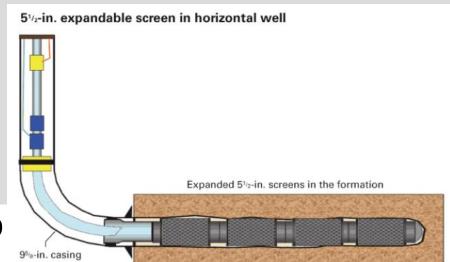
Early water breakthrough & sand production expected

→ fields not developed



3. Why Explore for Shallow Gas? History

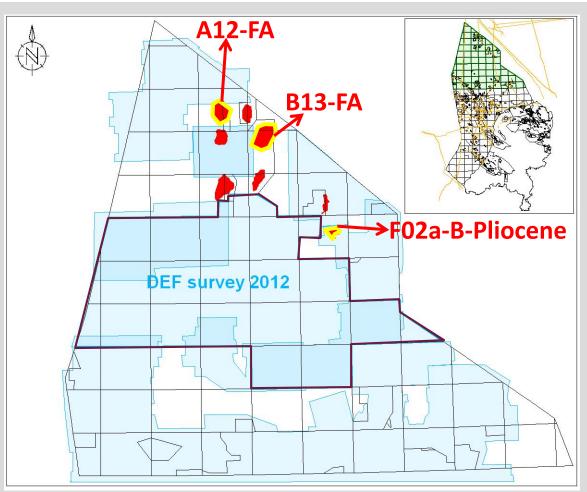
- Currently 3 successfully producing fields:
 - A12-FA (2007)
 - F02a-B-Pliocene (2009)
 - B13-FA (2011)
- Technical breakthrough (e.g. sand control in horizontal wells)



Reference: Chevron, Oil&Gas Journal, 2009



3. Why Explore for Shallow Gas?



Shallow Gas Offshore NL

Today:

3 fields producing

5 fields under development/ development pending



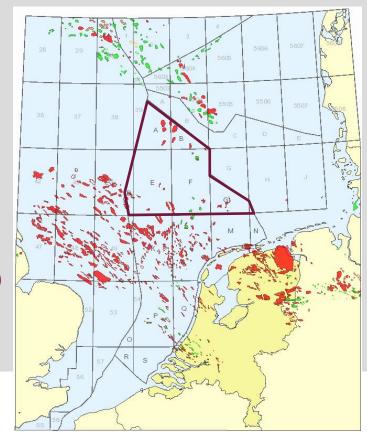
3. Why Explore for Shallow Gas?

- 1. New technology proven successful for SG developments
- 2. New 3D seismic points to more opportunities
- Significant volumes identified:
 36-118 bcm GIIP, 18-62 bcm UR
 Relatively high POS
- Marginal field tax incentive applicable (2010, www.nlog.nl)
 & Guaranteed gas off take



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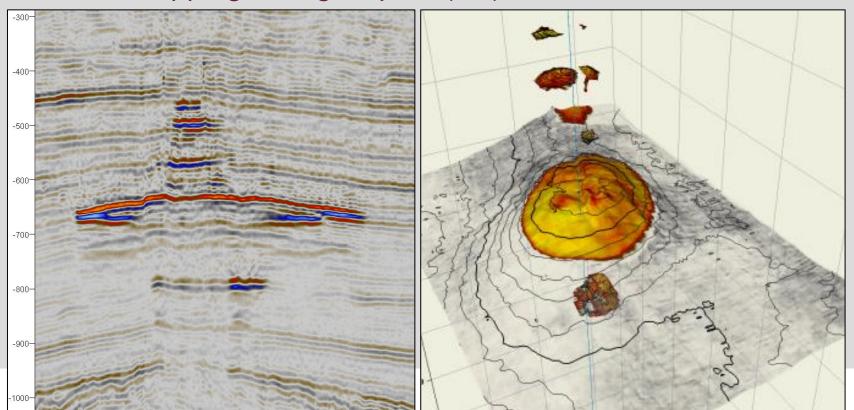




4. Shallow Gas Inventory EBN Identify Leads

Identify Shallow Gas (SG) leads:

- High amplitude seismic reflection indicative for gas
- Mapping of bright spots (BS) defines SG leads

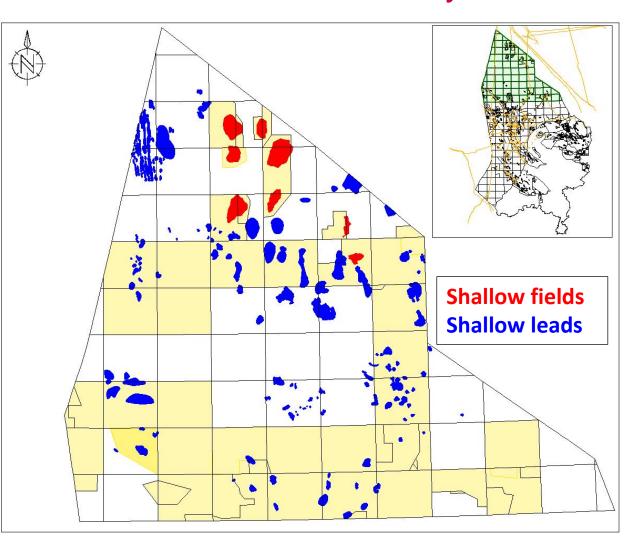




4. Shallow Gas Inventory EBN Identify Leads

Select most attractive leads based on:

- Well data: gas shows, log data
- Bright spot classification



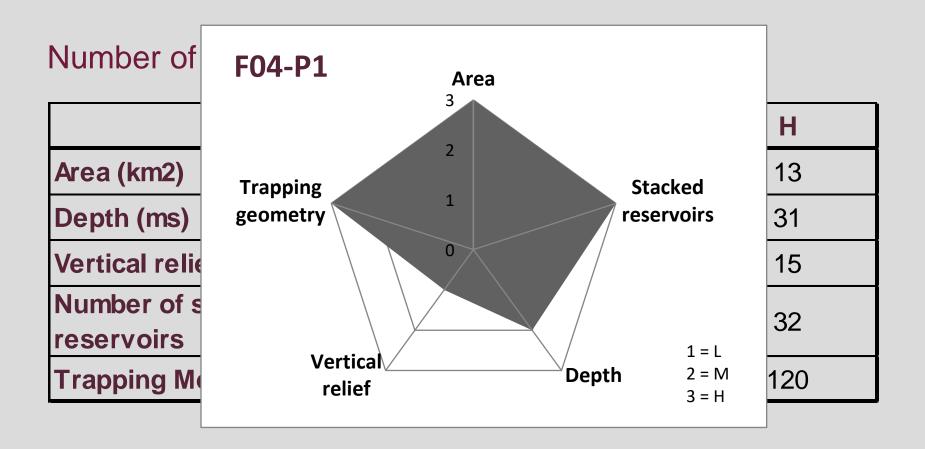


Bright spot classification based on:

	L	M	Н
Area (km2)	< 2	2 - 20	> 20
Depth (ms)	< 250	250 - 750	> 750
Vertical relief (ms)	<10	10 - 20	> 20
Number of stacked reservoirs	1	2	> 2
Trapping Mechanism*	ST	FDC	4WDC

^{*} ST = stratigraphic trap, FDC = fault-dip closure, 4WDC = 4-way-dip closure



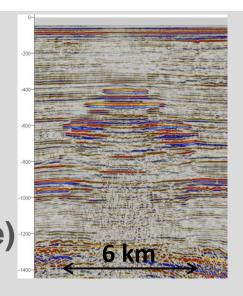




BS type:

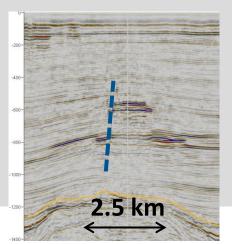
Prospectivity?

4WDC (e.g. A12-FA)
FDC (e.g F02a-B-Pliocene)
Strat. trap
Very shallow
Small size



4WDC type

- Area: M/H
- Depth: M/H
- Vertical relief: L/M
- Number of StackedReservoirs: L/M/H
- 4WDC



FDC type

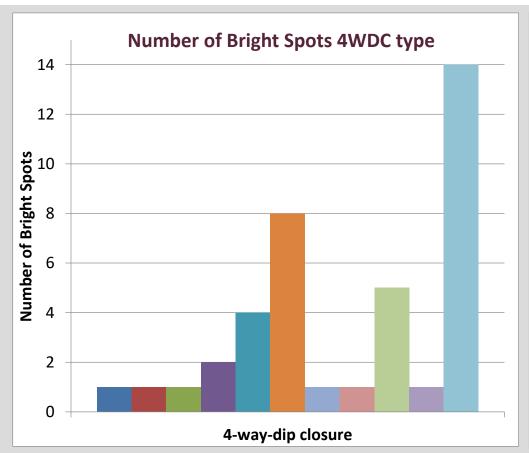
- Area: M/H
- Depth: M/H
- Vertical relief: M/H
- Number of Stacked
 - Reservoirs: L/M/H

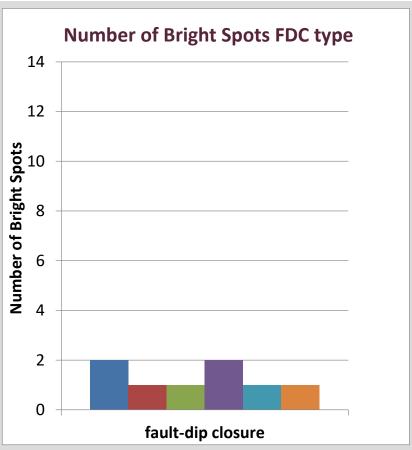
FDC



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4. Shallow Gas Inventory EBN Bright Spot Classification





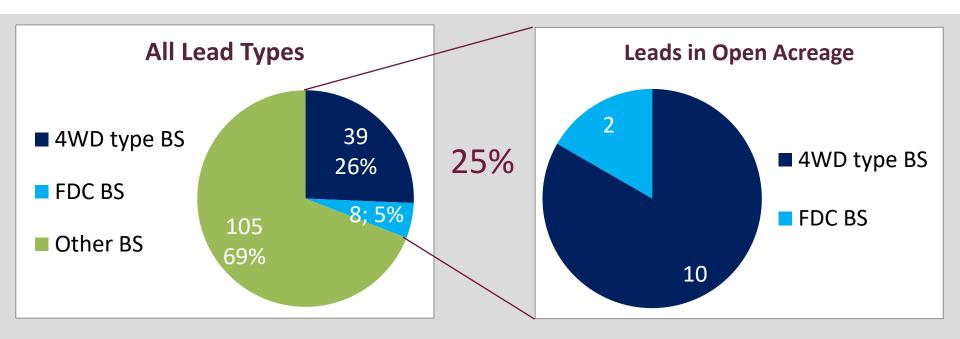
39 Leads

8 Leads

20



4. Shallow Gas Inventory EBN Size of the Prize

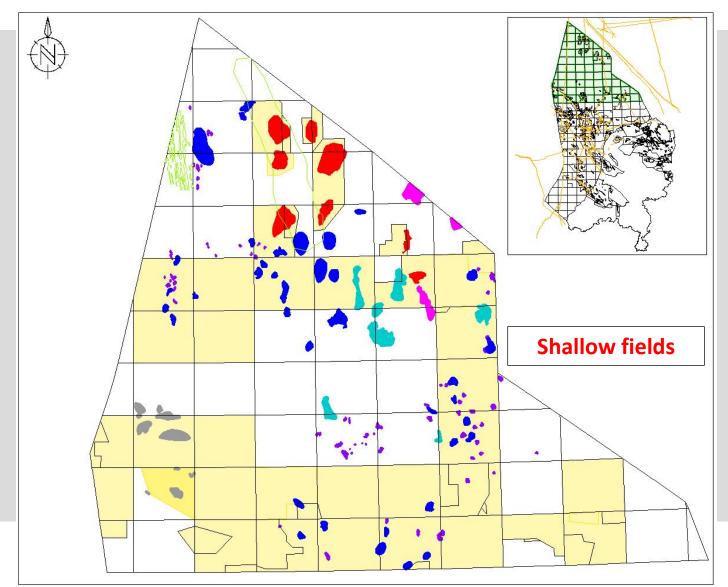


13 leads analysed in detail:

Total GIIP P50-P10: 10 – 16 bcm

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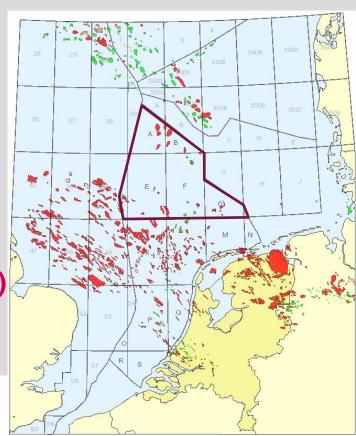






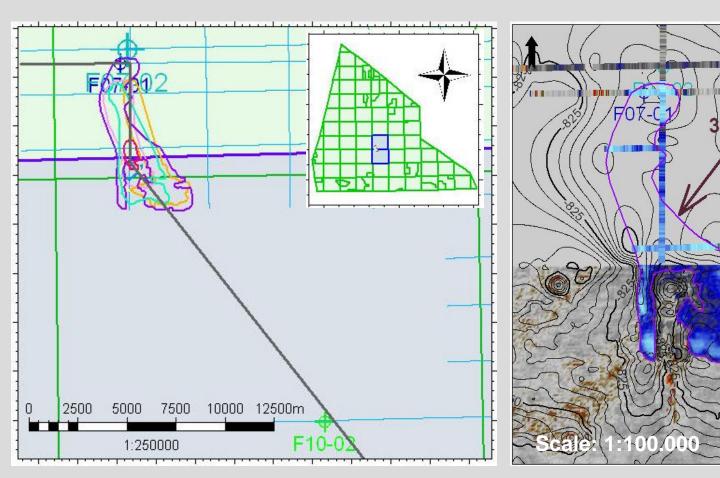
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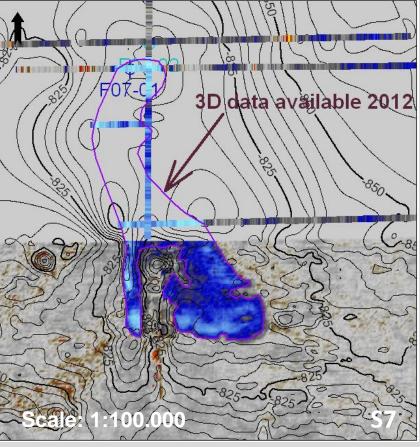
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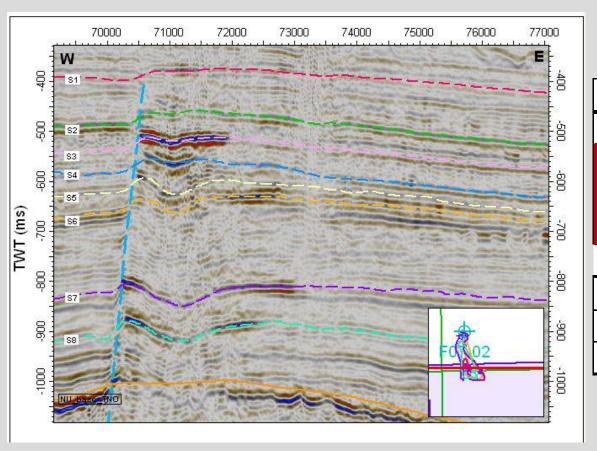
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	GIIP (BCM)			
Zone	P10	P50	P90	
S 7	1.68	0.77	0.23	
S8	1.89	0.92	0.37	
Total	3.57	1.69	0.60	
S 3	0.48	0.21	0.06	
S6	0.69	0.31	0.09	
Total	4.74	2.21	0.75	

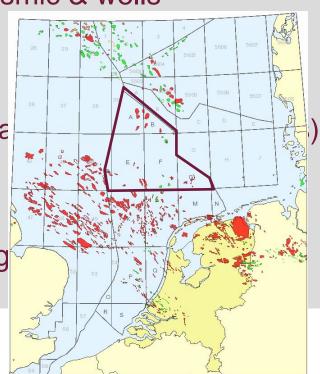
www.ebn.nl

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6. Summary (1/2) Shallow Gas Play in The Netherlands Takes Off

- Northern offshore NL: SG in Cenozoic unconsolidated sediments (Eridanos Delta)
- Extensive occurrences of SG known from seismic & wells
- Why explore for SG now?
 - 1. 3 Successfully producing fields (sand mea
 - 2. Area largely covered by 3D seismic
 - 3. Significant shallow gas potential (18 62
 - 4. Marginal field tax incentive applicable & g





6. Summary (2/2) Shallow Gas Play in The Netherlands Takes Off

- Shallow Gas Inventory EBN
 - Bright Spot Classification
 - 152 leads in northern offshore NL
 - 47 attractive leads (12 open acreage)
- Case study F07/F10-P1 (open acreage)
 - Fairly large, 1.7 3.6 bcm GIIP (P50-P10)

- Remaining challenge: find cost efficient solutions due to
 - Relatively small leads
 - Distance to infrastructure

6-6-2012 **27**



Acknowledgements

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 - Jan Lutgert
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See you @ Prospex Dec 2012 in London