

Microhole Integration Kickoff Meeting

Minutes

August 17, 2005
Houston Research Center
11611 West Little York Road
Houston Texas 77041

The Microhole Technology Integration Kickoff Meeting was held in Houston on Wednesday, Aug. 17, 2005 at the Houston Research Center. A total of 65 people attended the meeting with an interest in Microhole technologies. An overview and project status on DOE's supported Phase I and II Microhole Technology (MHT) Projects were presented and documented on CD for attendees and posted after the meeting on the Microhole Website along with the agenda at http://www.microtech.thepttc.org/agenda/agenda_aug_17_2005_final.htm. Lunch was provided and sponsored by Schlumberger. Attendees were not charged for the kickoff meeting.

The meeting began with registration at 8 to 8:30am. Don Duttlinger, Executive Director for the PTTC gave an introduction and outlined safety and logistical issues for the meeting. The PTTC is being tasked with facilitating several meetings in the coming year which will focus on bringing primary investigators together with industry to confirm compatible pathways on technology development. It is envisioned that technical gaps and issues can be identified and addressed on an on-going basis. Duttlinger then introduced Roy Long, DOE Technology Manager for the National Energy Technology Laboratory and Ginny Weyland, DOE Project Manager for MHT. Long presented the overview for the day. Industry is moving forward simultaneously in multiple fronts to develop and test rigs and many system components to make Microhole wellbores a widely adopted reality. MHT 1 awardees lead the day off with 5 presentations. MHT 2 awardees followed with 8 presentations (see agenda). Points of special interest from these presentations include:

- Schlumberger (MHT I, Built for Purpose Coiled Tubing Rig, Bart Patton): The market analysis and conceptual design have been completed. Price has not yet been established. The rig is not expected to be available until late 2006.
- GTI (MHT II, Counter-Rotating Tandem Motor Drilling System, Kent Perry): A field test of the 2 5/8-in tool will begin at RMOTC in late August 2005. Researchers are waiting on results of this field test before building the 3 1/2-in tool.
- GTI (MHT II, Field Demonstration of Existing Microhole CT Drilling Rig, Kent Perry): Results/field experience will be shared in Hart's Brownfields/Mature Assets Conference in Denver on 9/19-20/05.
- CFS (MHT II, Advanced Monobore Concept CFEX Self-Expanding Tubular Technology, Jeff Spray): A prototype should be available by the end of 2005.
- Ultima Labs (MHTII, Microhole CT BHA's (low cost MWC/LWD), Moore): Detailed design should be completed in 3rd Qtr 2005.

After Q&A, Long presented a summary and outlined the afternoon agenda. The meeting broke for an hour lunch and networking.

The afternoon focused on discussion of field experience and selected issues on applied Microhole advancements. Kent Perry of GTI reported a “Field Demonstration of an existing Coiled Tubing (CT) Drilling Rig”. This work was performed by Advanced Drilling Technology LLS in Colorado and Kansas with over 110 wells drilled to date this year. A water rig was used to set conductor pipe and cement allowing the CT rig to roll on site, set-up, drill and set casing in a day. Advanced Drilling Technology has another CT rig about to come on line this fall. Joe Melvan of Orbis Engineering Inc. presented “BP CT Drilling Experiences” centering on work in Alaska and the Anadarko basin. These presentations were well received and were included on the website for viewing.

Discussion centered on what hole size is the target for the MHT Initiative. Systems that qualified would be able to drill out of 4 ½ inch liner which is nominally 3 ½ inch or smaller. Next meeting date was set for November 16, 2005 in Houston. Venue will be set dependent on number of participants. Thrusts for the intended series of MHT meetings were discussed. Suggested priorities are: (1) 2nd meeting – specific integration issues, (2) 3rd meeting – integration update, and (3) 4th meeting – field test opportunities.

During discussion, the ICoTA representative the active growth of CT rigs in Canada. For example, Trailblazer, which is the dominant CT rig company in Canada, had 22 rigs in May, 26 rigs by August, and anticipates 32 by year-end 2005.

Ongoing Website Development: Interested industry participants can sign up on the website for Microhole Technologies at http://www.pttc.org/images/microhole_technologies_long.gif to be included on automatic updates and mailings. This feature is automatic and will assist in building and maintaining a database. There is ample opportunity to document the field demonstrations and generate case studies for posting on the website. An active drive to determine the state of the industry is underway and PTTC welcomes any feedback and input in documenting all technological progress. Meeting registrations will be submitted online for future meetings.

Meeting Adjourned at 2:45pm