

# DETECT large-scale modelling

DETECT final dissemination event, 1 December 2020

Jeroen Snippe, Shell Global Solutions International B.V

Kevin Bisdom, Niko Kampman, Tim Tambach, Ben Callow, Kieran Gilmore

Input from WP2, WP3.1-WP3.3 (Heriot Watt and Aachen university)



The project has been subsidized through the ERANET Cofund ACT (Project no. 271497), the European Commission, the Research Council of Norway, the Rijksdienst voor Ondernemend Nederland, the Bundesministerium für Wirtschaft und Energie, and the Department for Business, Energy & Industrial Strategy, UK.

December 2020

# Cautionary Note

The companies in which Royal Dutch Shell plc directly and indirectly owns investments are separate legal entities. In this presentation “Shell”, “Shell group” and “Royal Dutch Shell” are sometimes used for convenience where references are made to Royal Dutch Shell plc and its subsidiaries in general. Likewise, the words “we”, “us” and “our” are also used to refer to Royal Dutch Shell plc and subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. “Subsidiaries”, “Shell subsidiaries” and “Shell companies” as used in this presentation refer to entities over which Royal Dutch Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as “joint ventures” and “joint operations”, respectively. Entities over which Shell has significant influence but neither control nor joint control are referred to as “associates”. The term “Shell interest” is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

This presentation contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) concerning the financial condition, results of operations and businesses of Royal Dutch Shell. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Royal Dutch Shell to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as “aim”, “ambition”, “anticipate”, “believe”, “could”, “estimate”, “expect”, “goals”, “intend”, “may”, “objectives”, “outlook”, “plan”, “probably”, “project”, “risks”, “schedule”, “seek”, “should”, “target”, “will” and similar terms and phrases. There are a number of factors that could affect the future operations of Royal Dutch Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this [report], including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this [report] are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Royal Dutch Shell’s 20-F for the year ended December 31, 2019 (available at [www.shell.com/investor](http://www.shell.com/investor) and [www.sec.gov](http://www.sec.gov)). These risk factors also expressly qualify all forward looking statements contained in this presentation and should be considered by the reader. Each forward-looking statement speaks only as of the date of this presentation, December, 1, 2020. Neither Royal Dutch Shell plc nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation.

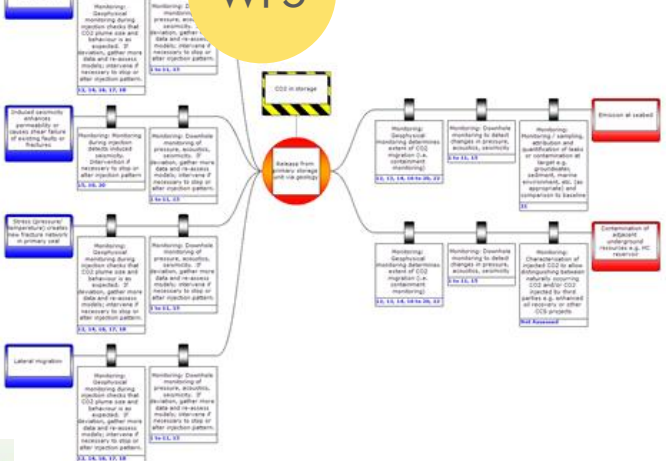
We may have used certain terms, such as resources, in this presentation that United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. U.S. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website [www.sec.gov](http://www.sec.gov).

# DETECT workflow

The goal of DETECT is to assess geological leakage risks related to fault and fractures in caprocks

**Geological Leakage Risk Assessment**  
 Incorporate all modelling and monitoring barriers in a qualitative bowtie risk assessment framework with associated quantitative scenario modelling tool

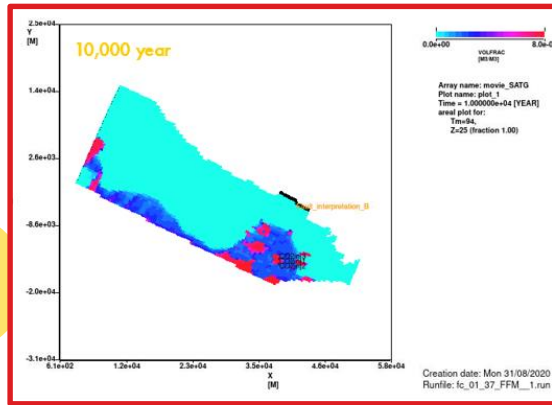
WP5



Identify active monitoring barriers relevant for site and expected leakage rates

Modelling results inform effectiveness of passive barriers (in seals and secondary storage units)

WP4



Probabilistic dynamic simulation using uncertainty ranges on all (parametrized) controls

Estimation of leakage rate distribution and likelihood at each caprock in CO<sub>2</sub> storage complex

WP3

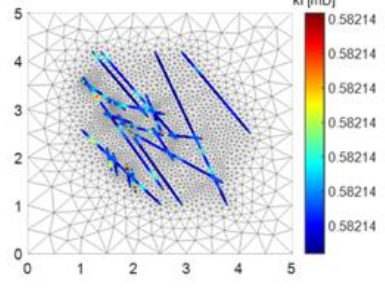
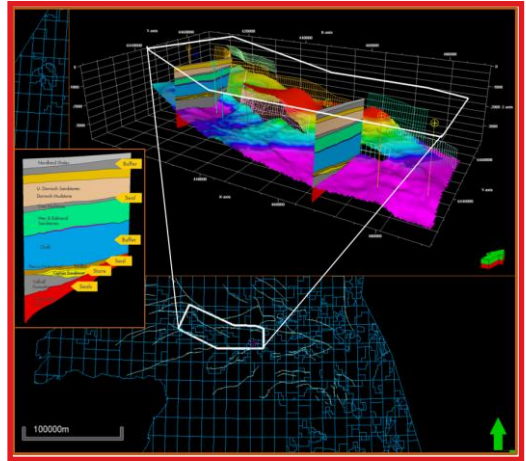
Hydromechanical coupling using lab-derived stress-permeability relations and analytical stress-state model

Effective fracture + matrix vertical permeability, RLP, CPR for each cell in seal derived from numerical up-scaling

Simulate flow in fracture networks in caprocks

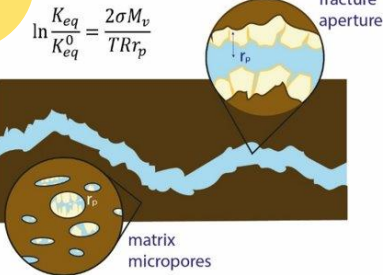
Scaling relations based on meso/fine-scale modelling & analogues

Characterise background stresses and log-derived rock transport and geomechanical properties

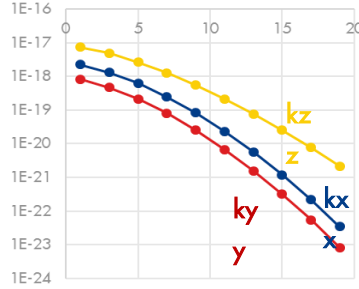


WP2

Experimentation and numerical modeling to characterise single fracture processes



Quantifying the impact of small-scale physics on CO<sub>2</sub>-brine flow at fine-scale

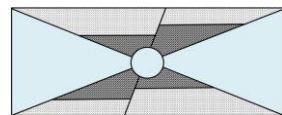


Characterise fault-fracture networks using analogue derived scaling relations: fault throw-length-frequency

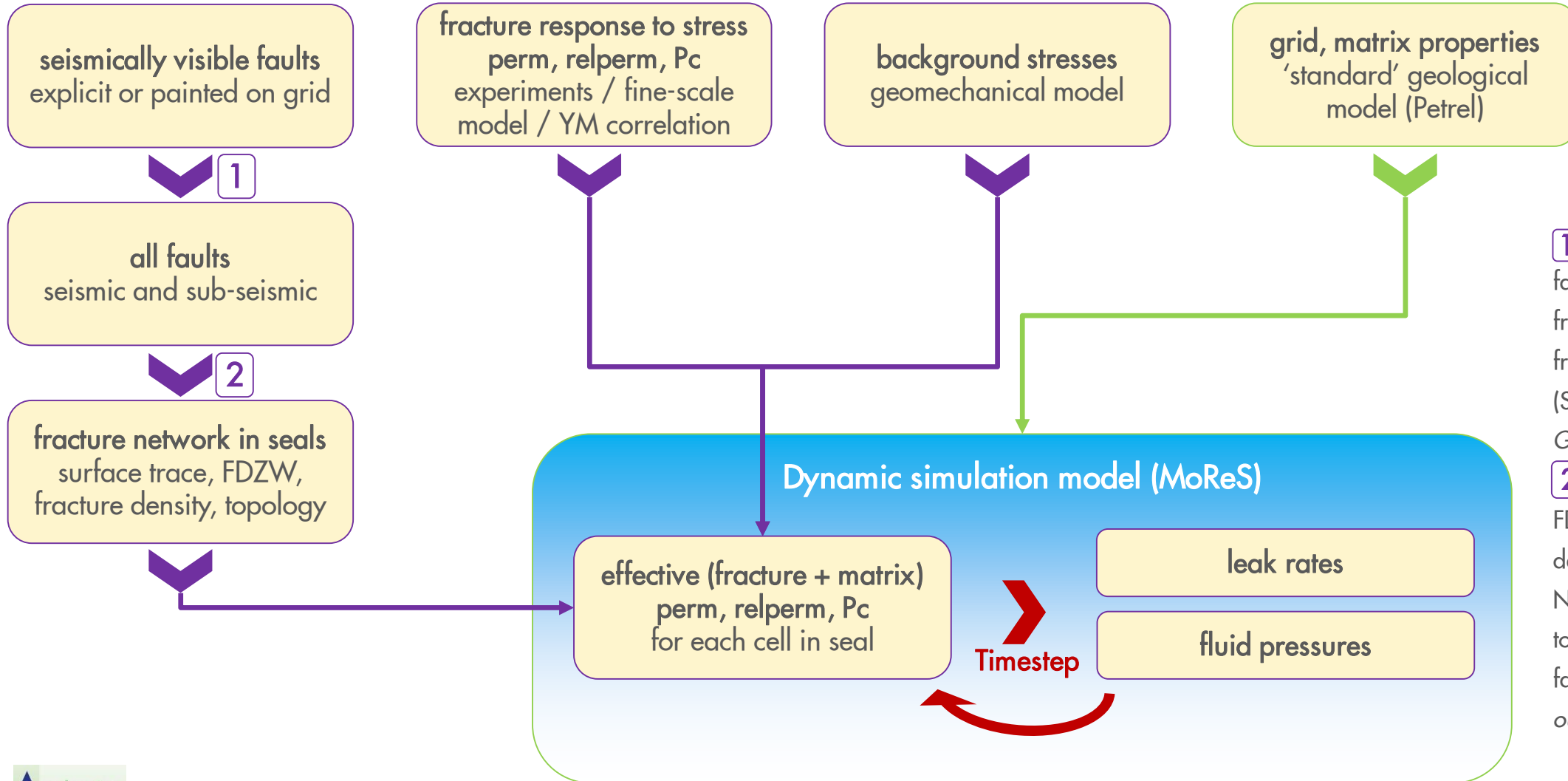
---

# Outline

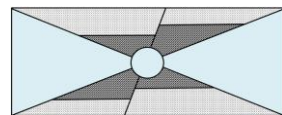
- Input data and workflow
- Insights from semi-analytic results and 2D detailed simulations
- Green River application – history match (workflow validation)
- North Sea application – forecast
- Conclusions



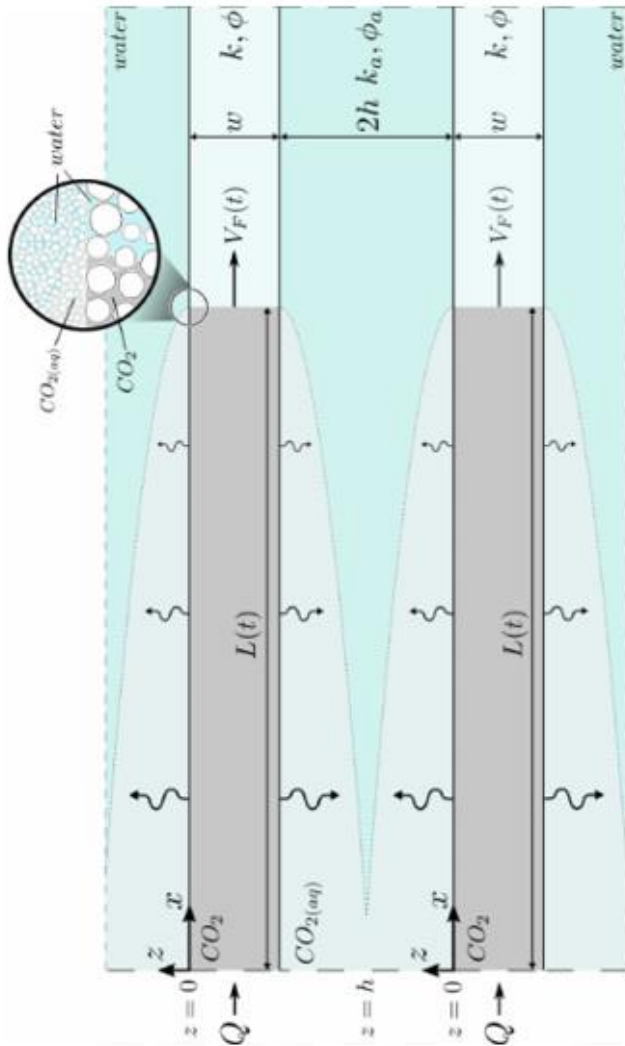
# Input data and workflow



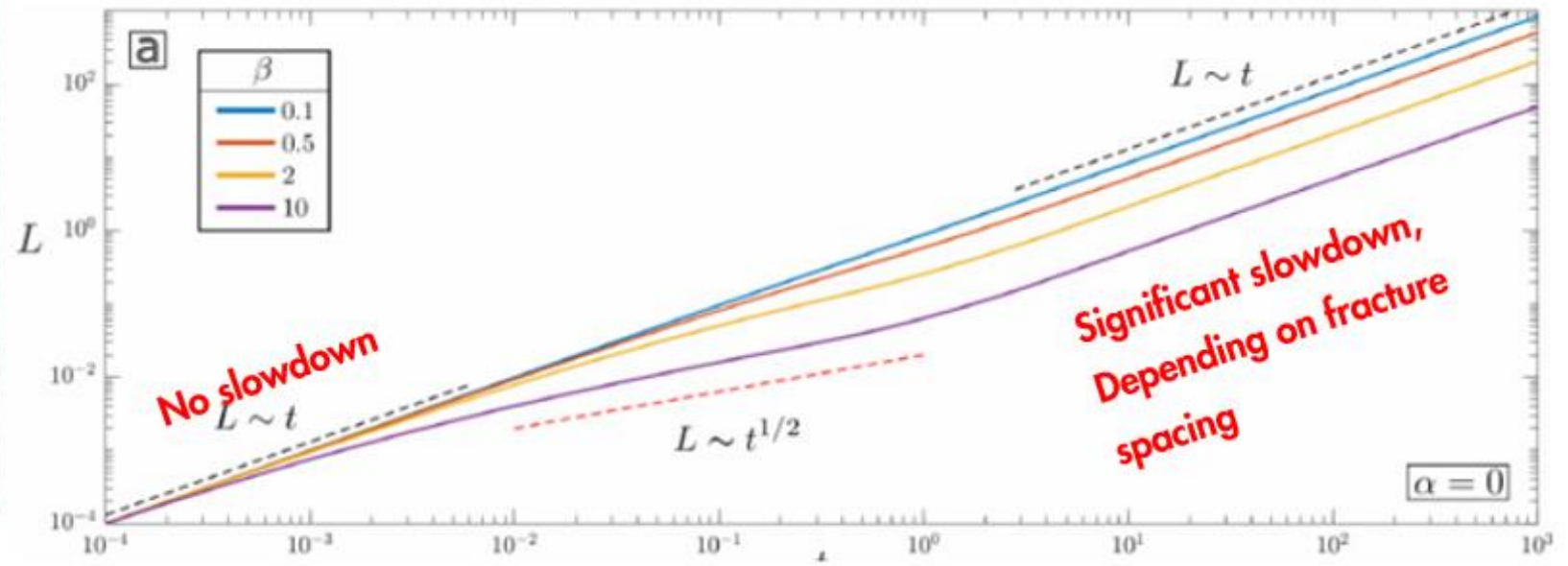
- 1** Scaling relations for fault throw-length-frequency, extracted from seismic faults (SGT). Skipped for Green River
- 2** Scaling relations for FDZW-throw, fracture density-distance. Network connectivity topological reduction factor. Green River: from outcrop and well data



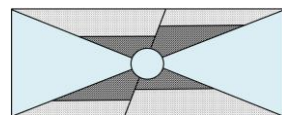
# Insight (semi-analytic): Diffusion slows down CO<sub>2</sub> velocity in fractures



- Gilmore et al 2020: semi-analytic treatment of CO<sub>2</sub> in high-perm streaks
  - Rotated 90°, the results are directly applicable to DETECT
- No diffusion → top caprock reached within days, even at low rates
- With diffusion → months (high rate) to >10,000 year (low rate)

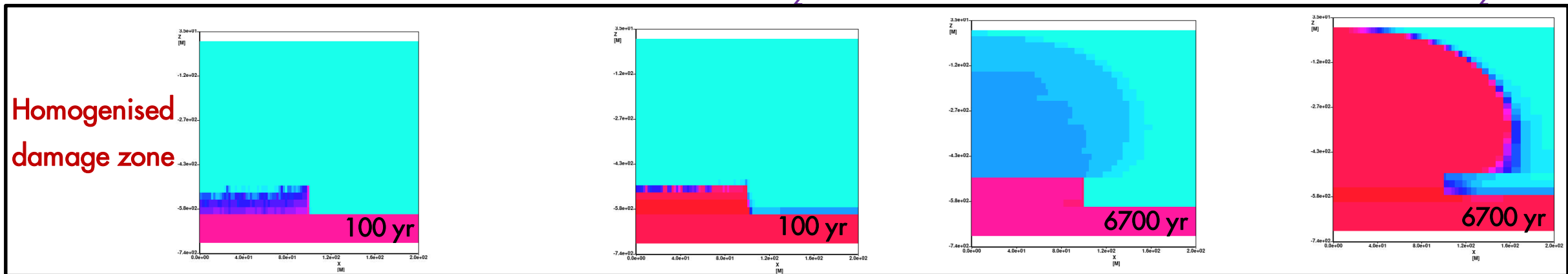
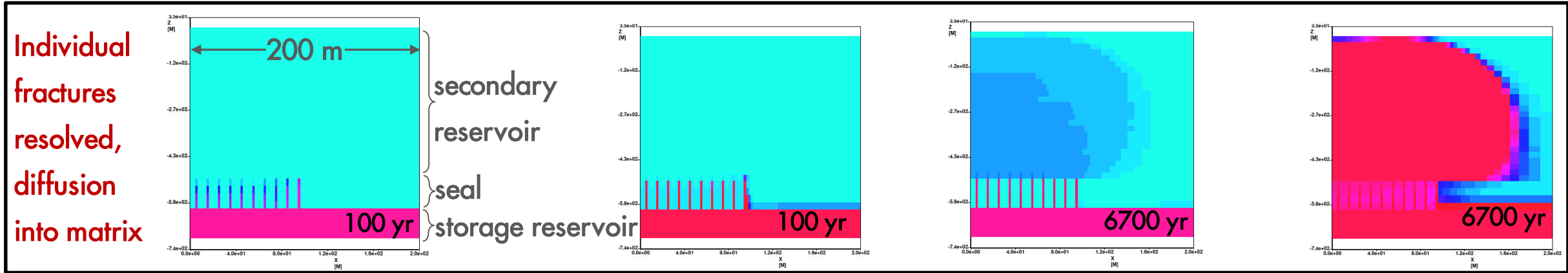


Modified from Gilmore, K., J. Neufeld, and M. Bickle, *CO<sub>2</sub> Dissolution Trapping Rates in Heterogeneous Porous Media*. Geophysical Research Letters, 2020

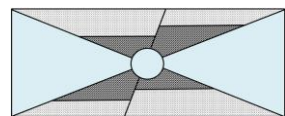




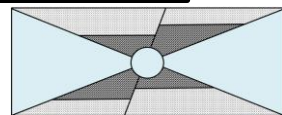
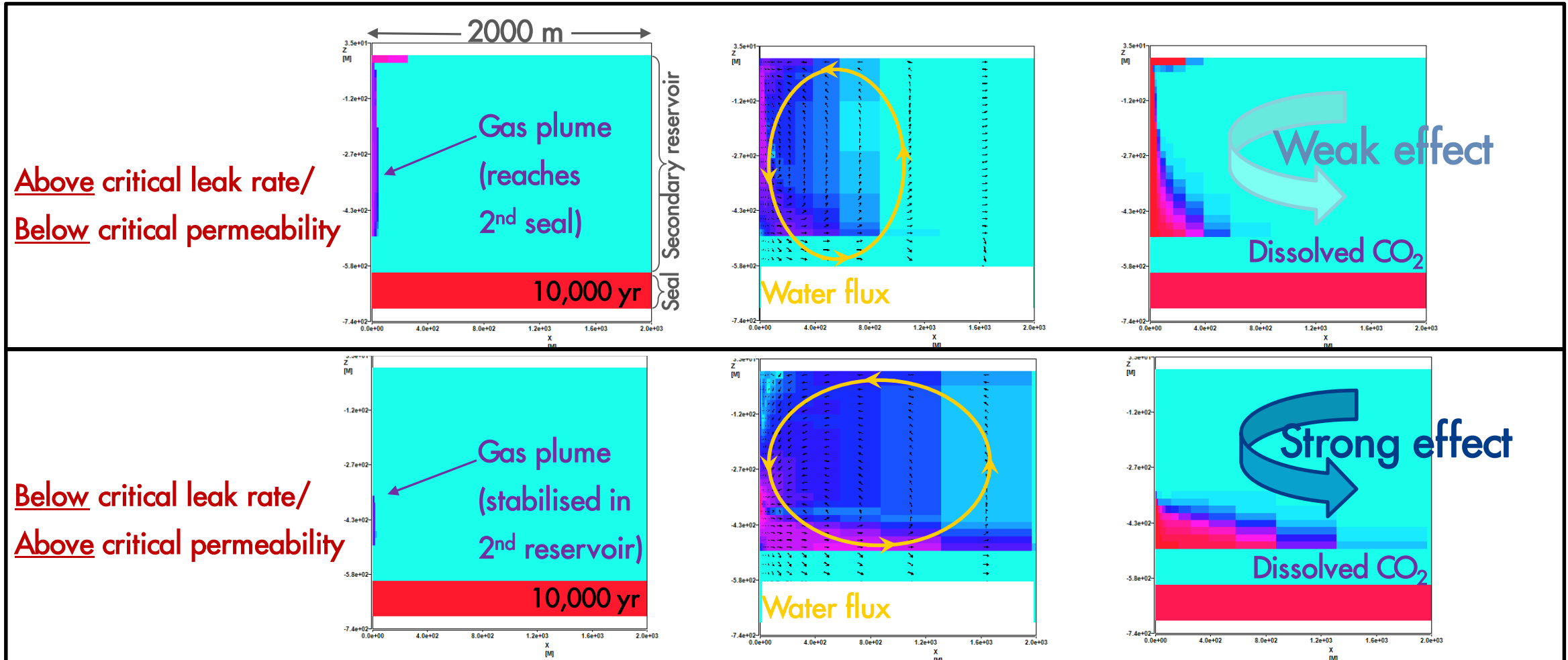
# Insight (2D model): Homogeneous treatment of damage zone, with careful property upscaling, reproduces explicit fracture modelling



100 year top seal BT, same as analytic (at same parameter settings)

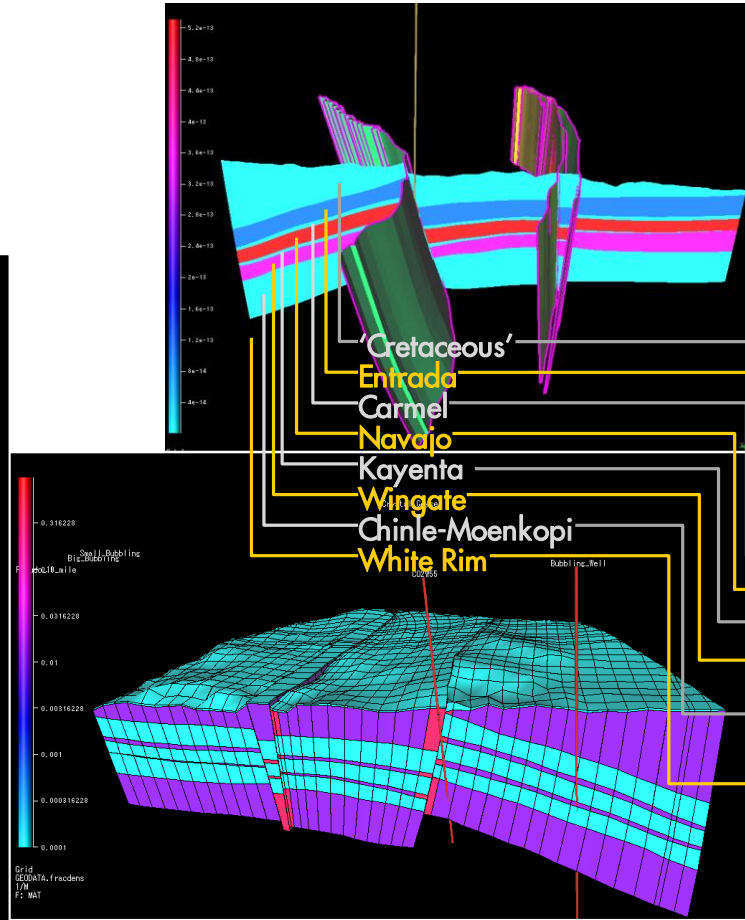
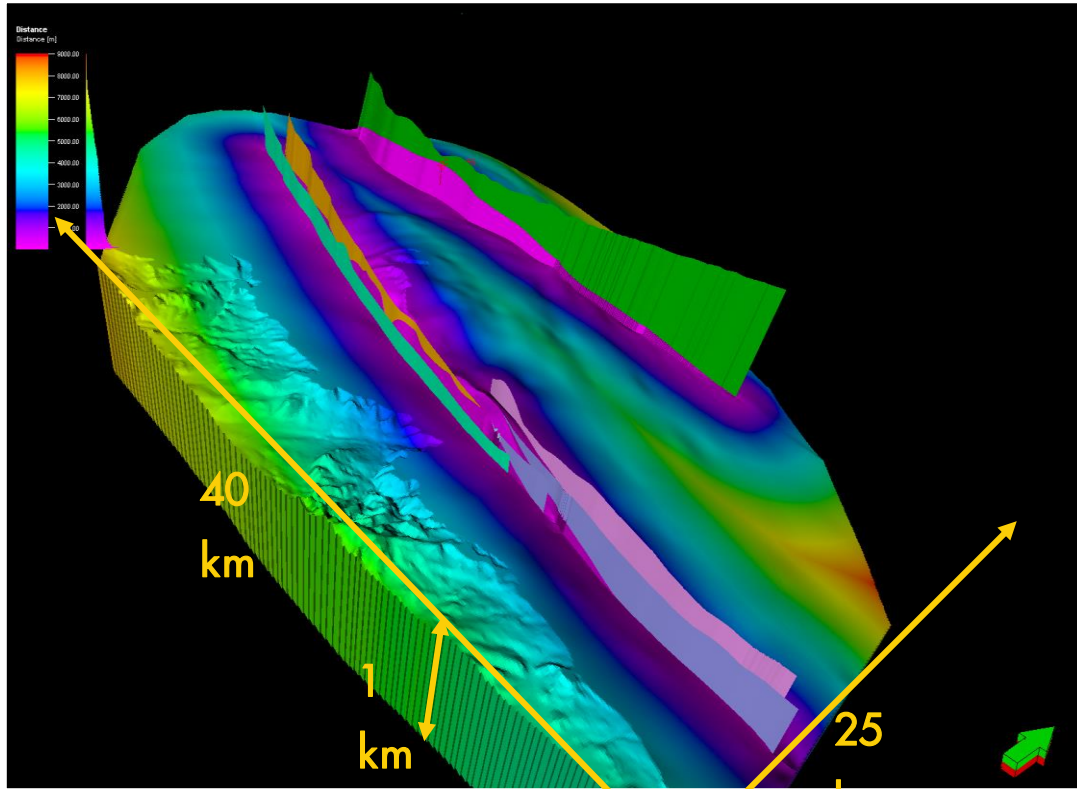


# Insight (2D model): Counter-current brine flow dissolves all CO<sub>2</sub> in 2<sup>nd</sup> reservoir below critical leak rate / above critical permeability





# Green River: Model overview



AGE GROUP	FORMATION AND MEMBER	THICKNESS (m)	LITHOLOGY	HYDRO- GEOLOGIC UNIT
CRETACEOUS	Manos Shale	200+		
	Upper Shale	6-10		
	Ferron Sandstone	105-125		
	Tununk Shale	0-10		
	Utah Sandstone	25-55		
	Cedar Mountain Fm.	30-100		
	Brushy Basin Mbr	70-146		
	Salt Wash Mbr	45-90		
	Tidwell Mbr	6-15		
	Summerville Formation	30-120		
Curtis Formation	40-70			
JURASSIC	Entrada Sandstone	120-145		Entrada Aquifer
	Carmel Formation	65-90		
	Navajo Sandstone	130-155		Navajo Aquifer
	Kayenta Formation	56-71		
TRIASSIC	Wingate Sandstone	90-120		Wingate Aquifer
	Church Rock Mbr	60-120		
PERMIAN	Moss Back Mbr	16-30		
	Temple Mountain Mbr	0-12		
	Moody Canyon & Terry Mbrs	140-200		
	Moenkopi Fm.	10-15		
PENNSYLVANIAN	Sinbad Limestone Mbr	10-15		
	Black Canyon Mbr	10-15		
MISSISSIPPIAN	Kabab Limestone	0-45		
	White Rim Sandstone	90-150		
HERMOSEA GROUP	Organ Rock Shale	0-90		
	Elephant Canyon	300-345		
HERMOSEA GROUP	Honaker Trail Formation	150-300		
	Paradox Formation	365-760		
HERMOSEA GROUP	Leadville Limestone	185-245		

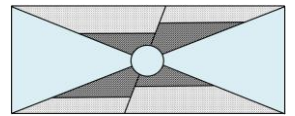
- Model built in Petrel and upscaled to MoReS
- 500m x 500m grid, down to 50m near faults

- Free gas BC in White Rim
- Has been observed in E&A wells
- Uncertainty range based on spill point analysis
- Fracture input from experiments, characterisation, fine-scale models

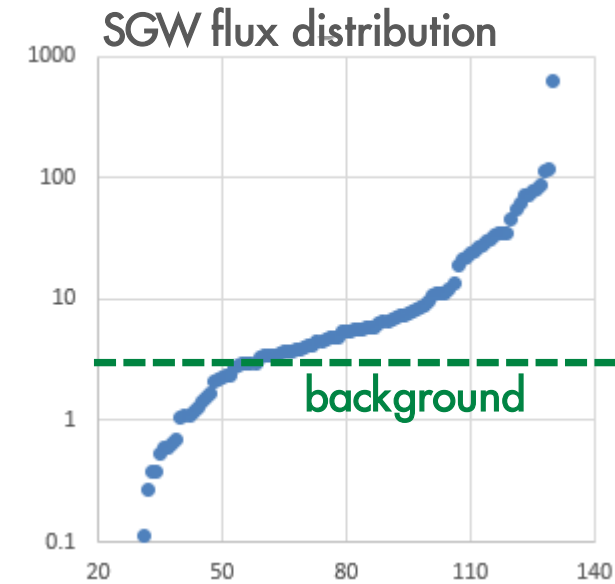
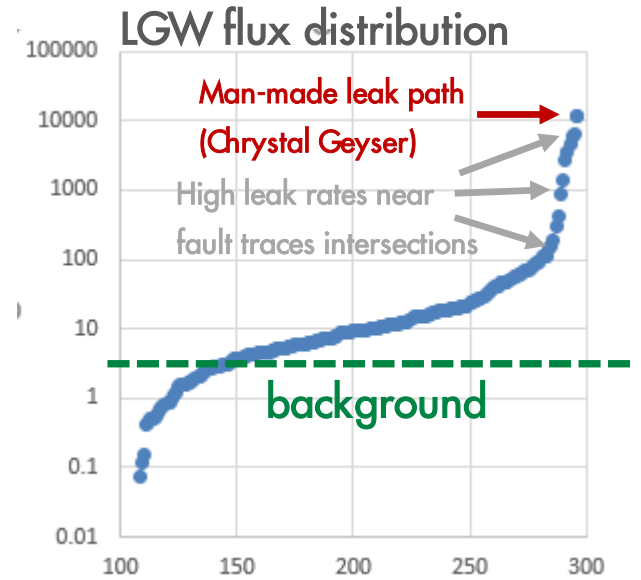
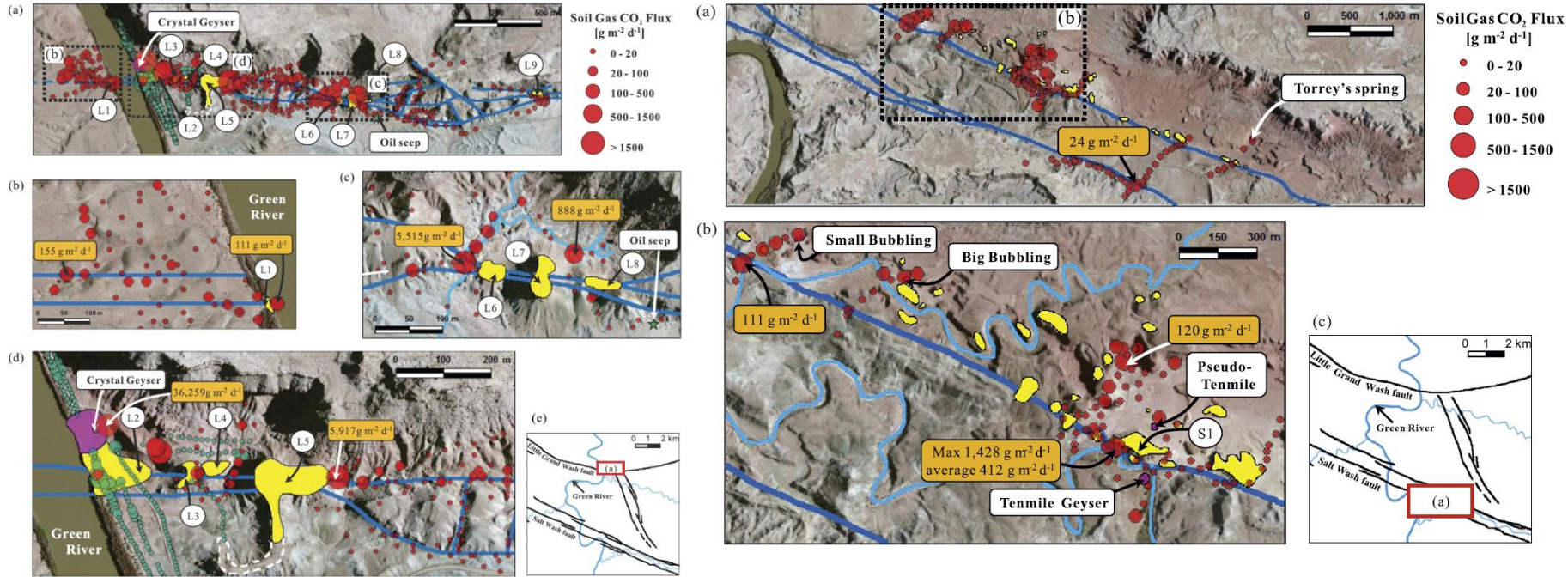


The project has been subsidized through the ERANET Cofund ACT (Project no. 271497), the European Commission, the Research Council of Norway, the Rijksdienst voor Ondernemend Nederland, the Bundesministerium für Wirtschaft und Energie, and the Department for Business, Energy & Industrial Strategy, UK.

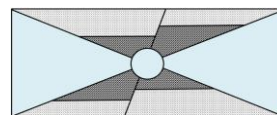
December 2020



# Green River: Observables (history match objectives)



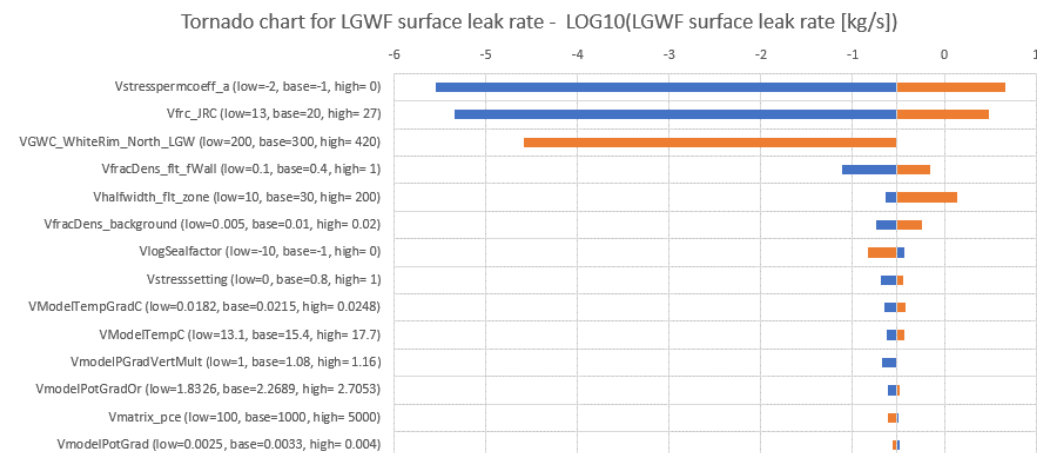
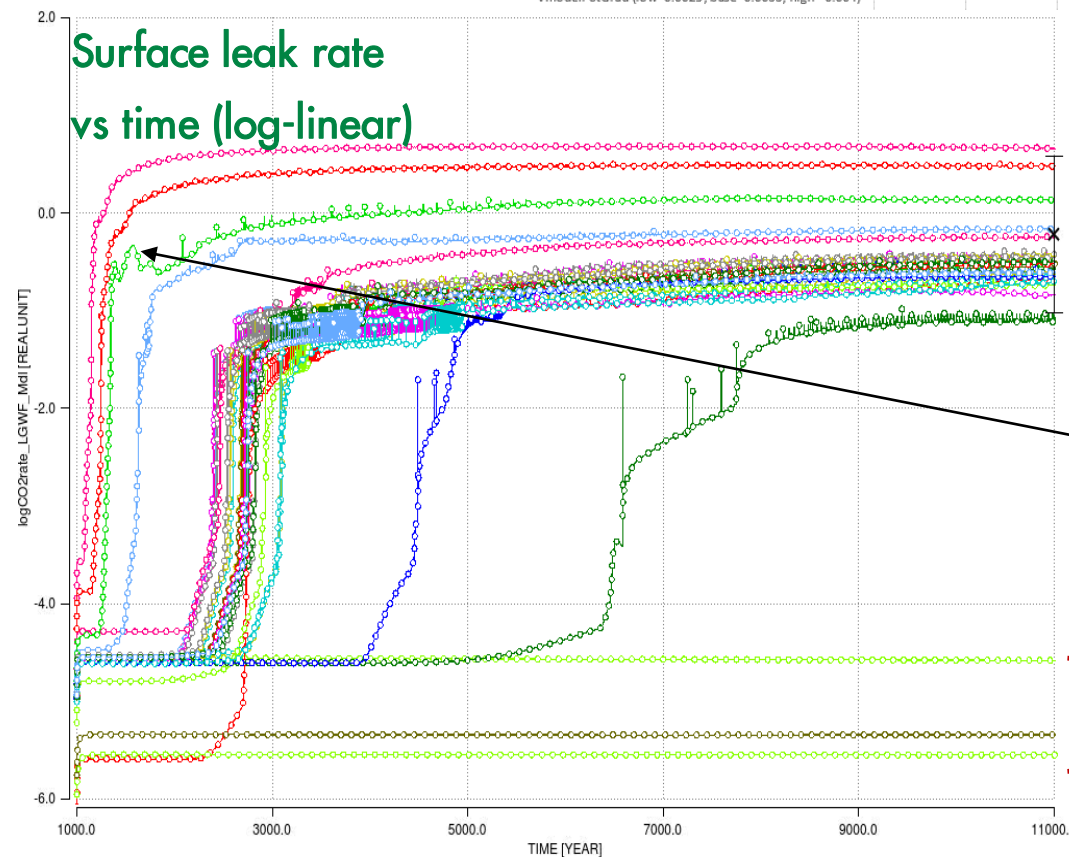
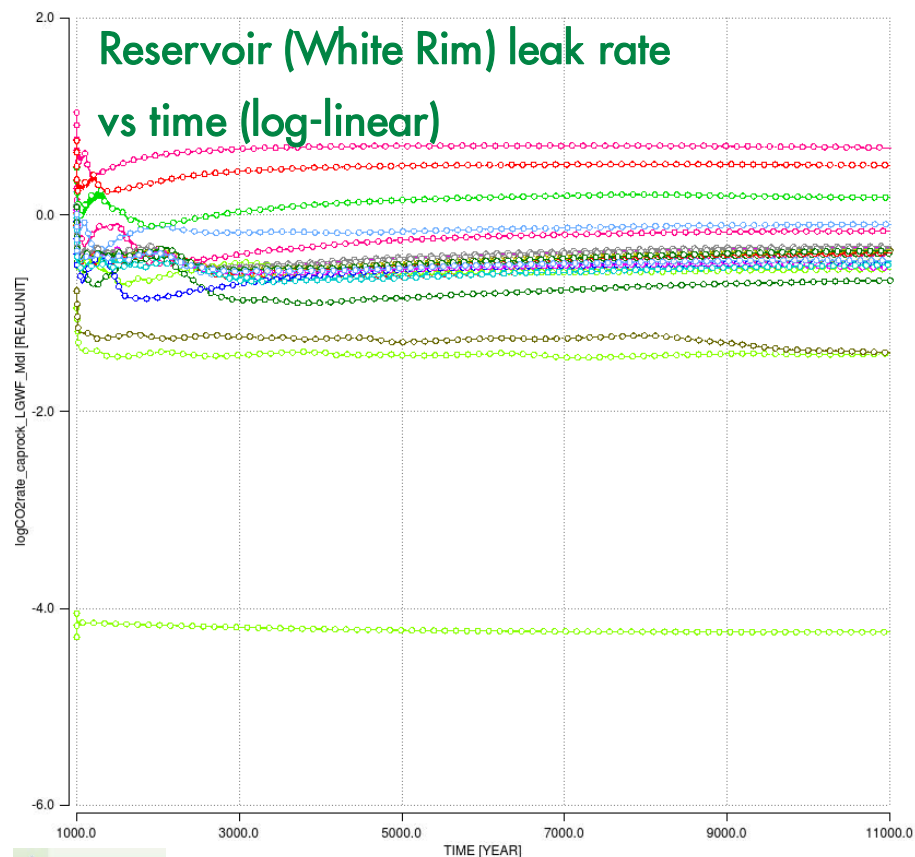
- Data from Jung et al (Earth and Planetary Science Letters, 2014), sampling points distance 9-50 m
- Repeats show temporal variations; areal integration introduces additional uncertainty
  - **LGWF total surface leak rate 0.09 – 0.6 – 6 kg/s** (DETECT estimate)
  - **SWG total surface leak rate 0.03 - 0.12? - 1.5?? kg/s** (DETECT estimate)
- CO2W55 log water compositional data (Carmel, Navajo)





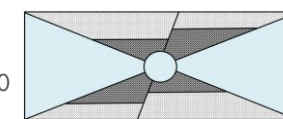
# Green River results: Model reproduces measurements

Results preliminary, pending minor final model updates

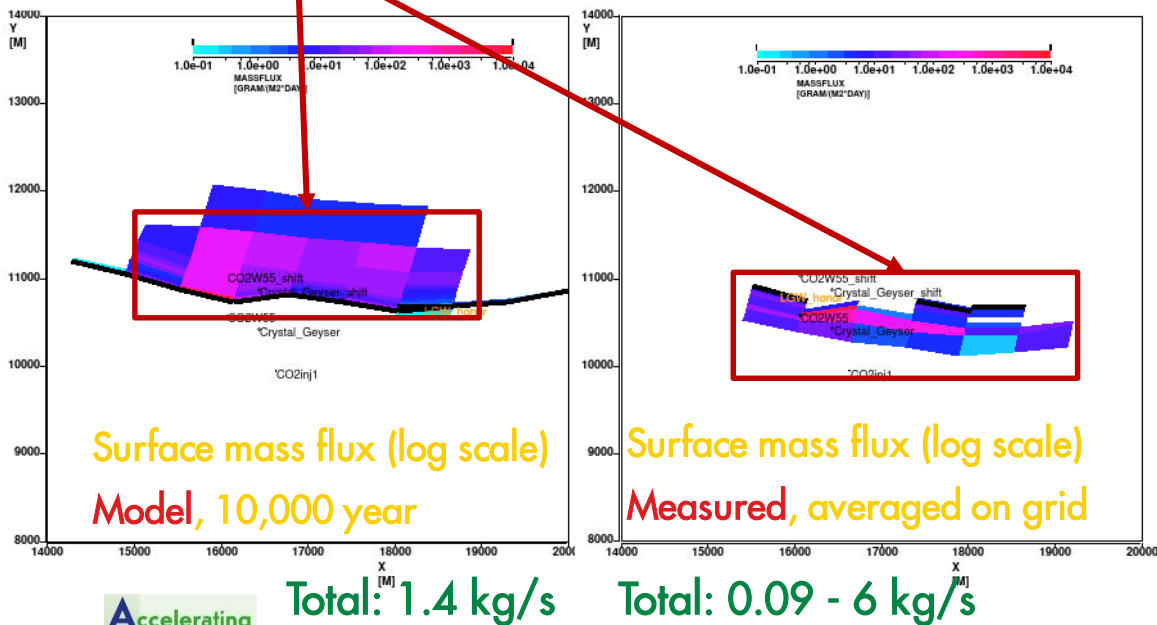
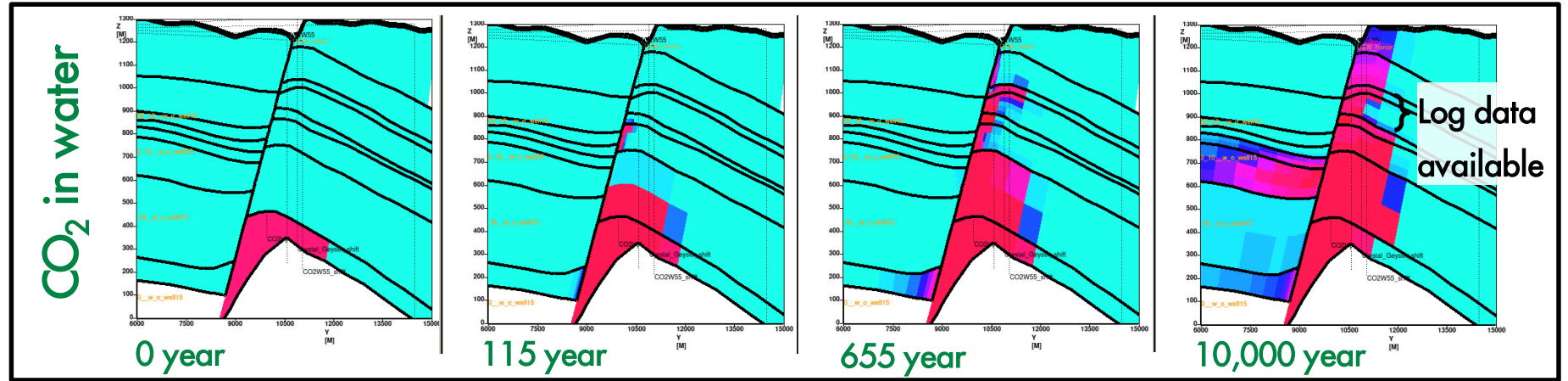
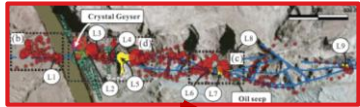


The project has been subsidized through the ERANET Cofund ACT (Project no. 271497), the European Commission, the Research Council of Norway, the Rijksdienst voor Ondernemend Nederland, the Bundesministerium für Wirtschaft und Energie, and the Department for Business, Energy & Industrial Strategy, UK.

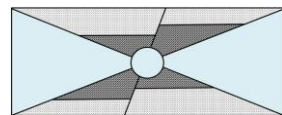
December 2020



# Green River results: LGWF area in one of matching realisations

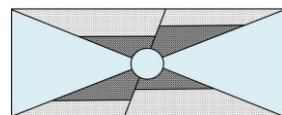
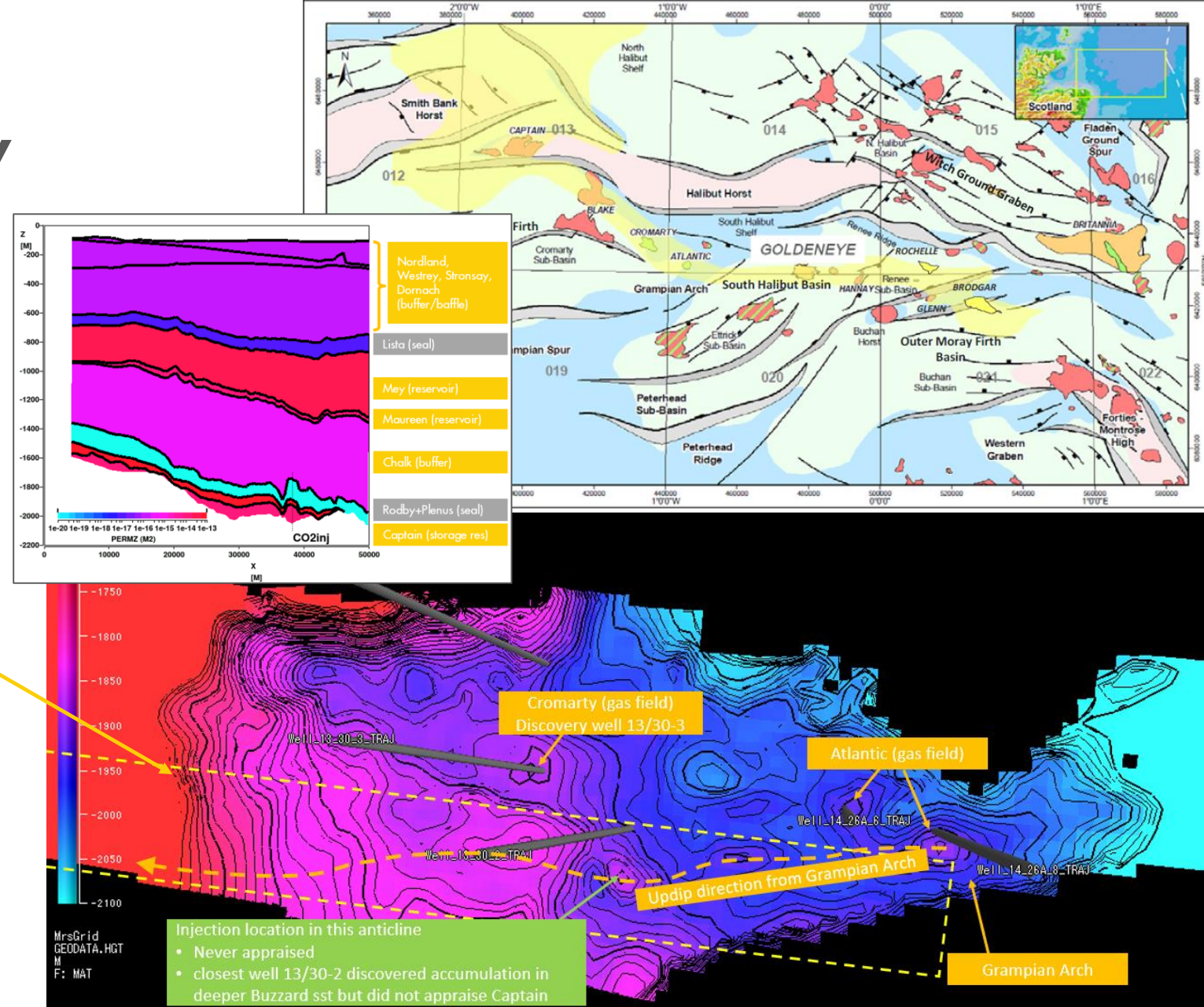


- After 10,000 year, leak rates stabilised
- Some leakoff into the intermediate reservoirs
- Total surface mass rate matches measurements
- Flux pattern matches measurements qualitatively
- Well log qualitatively matched (not presented here)



# North Sea: Model overview

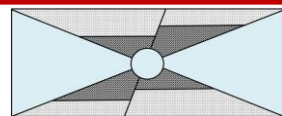
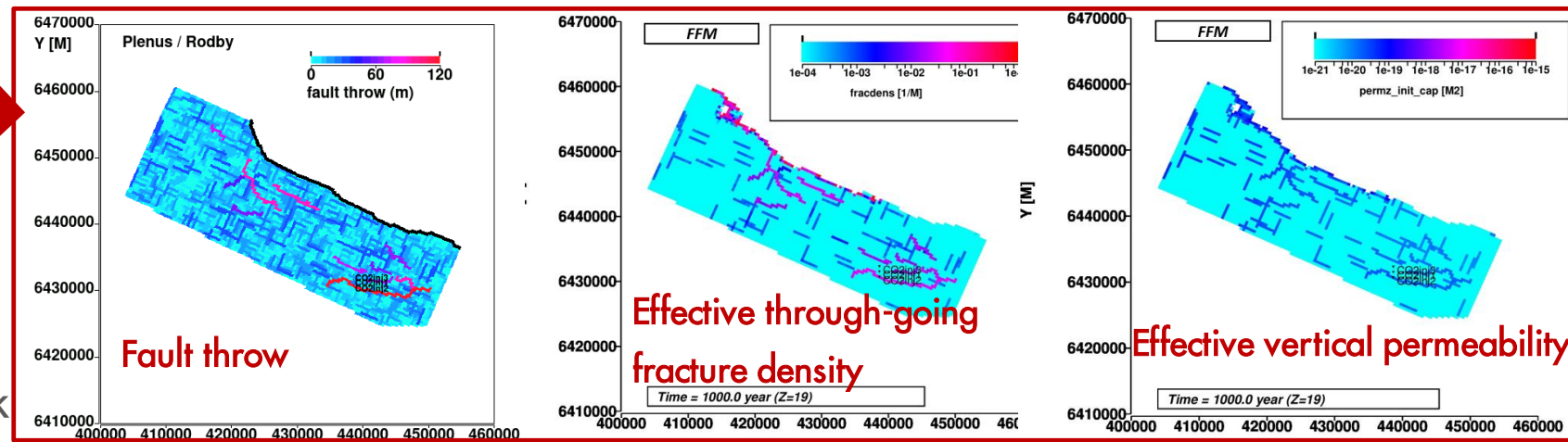
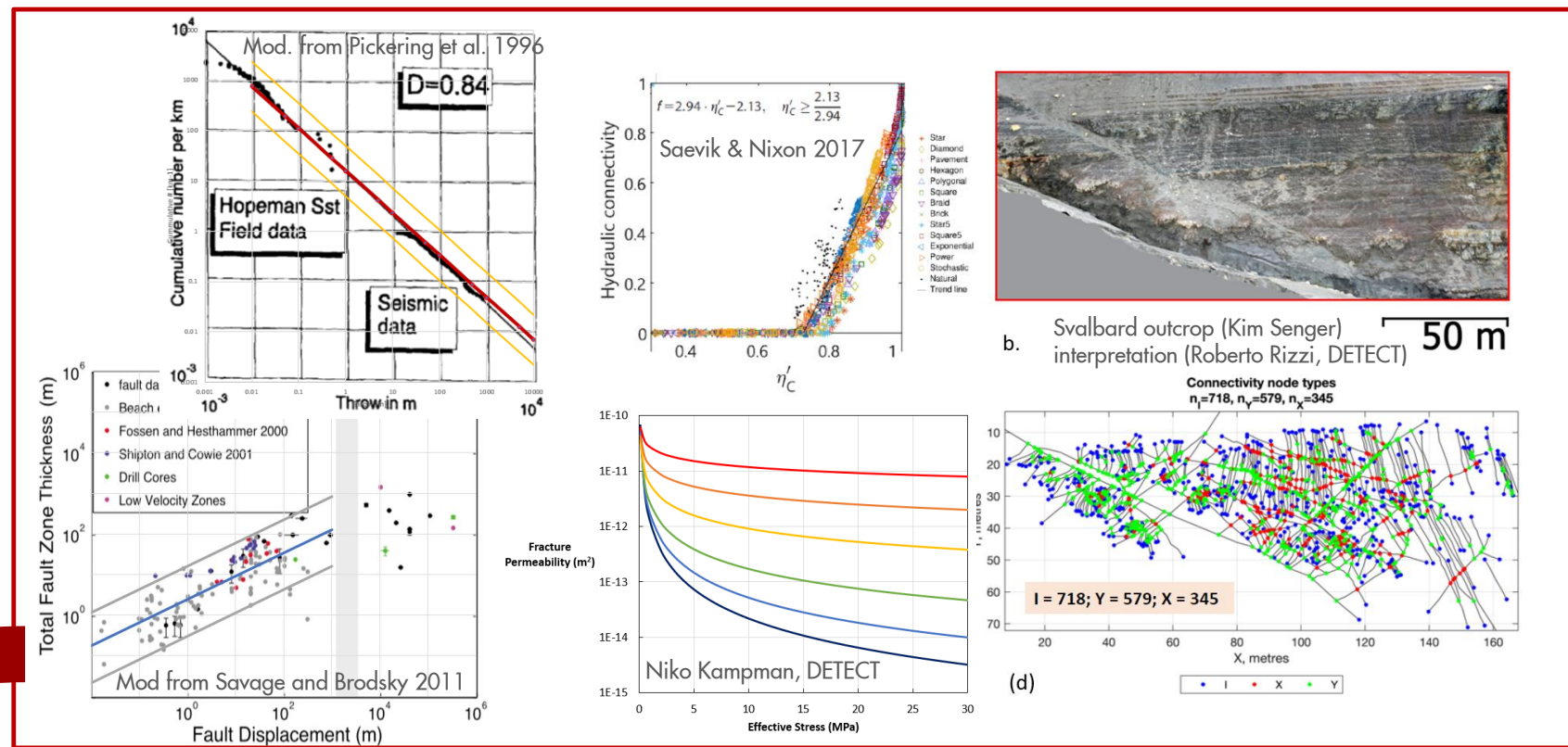
- Captain Fairway (Outer Moray Firth)
- Relevance (CO<sub>2</sub> storage capacity)
- Data availability (Goldeneye; basin models)
- Presence of seismically visible faults
- Dynamic model 50 km x 20 km /  
50 km x 4 km (sector)
- Reservoir to seabed
- Primary caprock = Plenus/Rodby
- Secondary caprock = Lista  
= top of Storage Complex
- 540 MT / 180 MT (sector) CO<sub>2</sub> injection
- Abandoned wells excluded from analysis!





# North Sea: Fault & fracture input

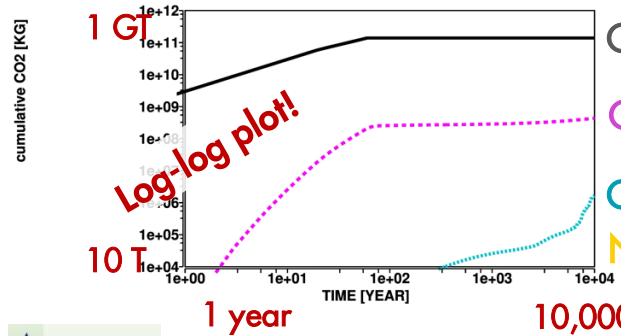
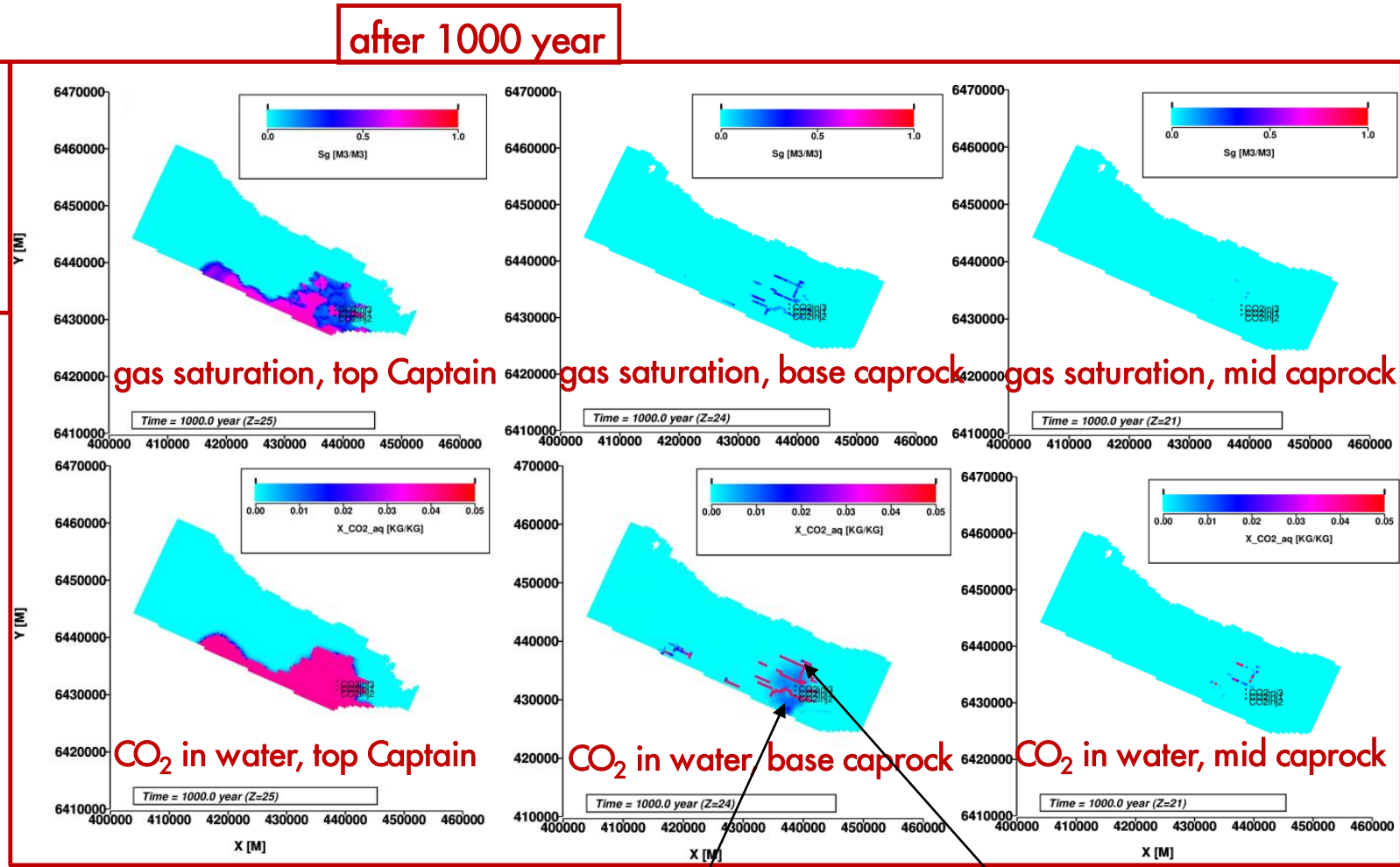
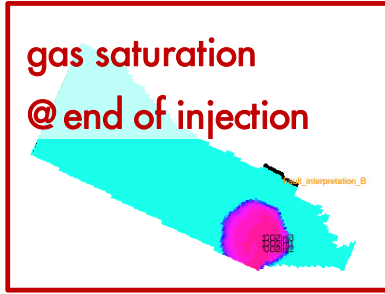
- Seismically visible faults
  - Present at injection location...
- Subseismic faults
- Scaling relations
  - Fault length and density
  - Fracture damage zone width
  - Fracture density
  - Fracture connectivity
- Single-fracture permeability
- Realisations with high-perm fault damage zone extension into Chalk





# North Sea: Results - base case

- Only 0.001% of injected CO<sub>2</sub> reaches top primary caprock after 10,000 year
- No injected CO<sub>2</sub> reaches secondary caprock (top Storage Complex)



Cum injected

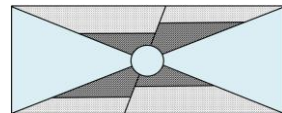
Cum into primary caprock

Cum out of primary caprock

No injected CO<sub>2</sub> reaches secondary caprock

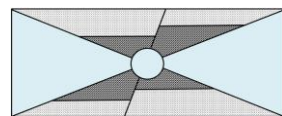
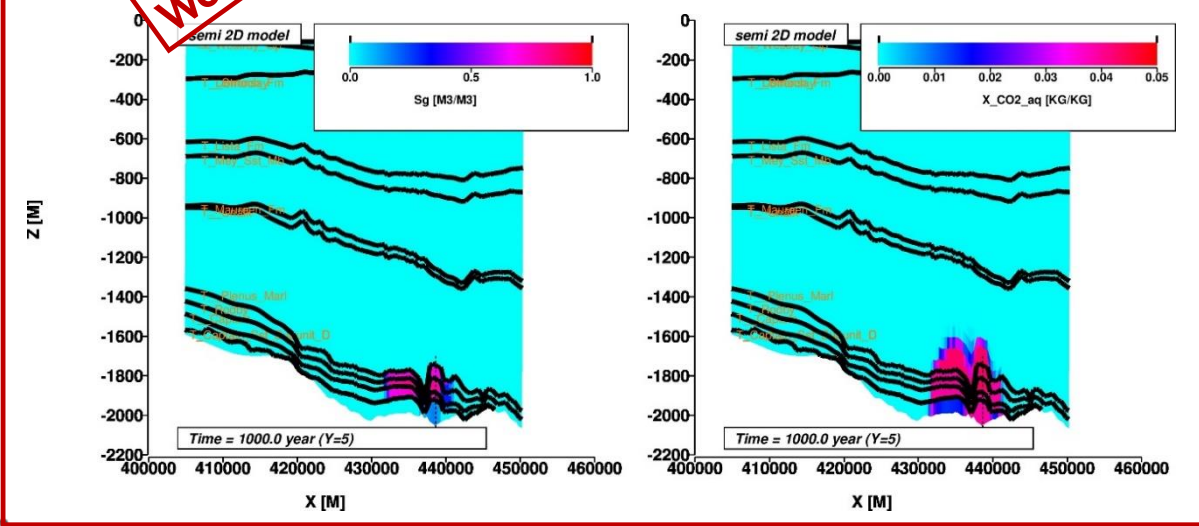
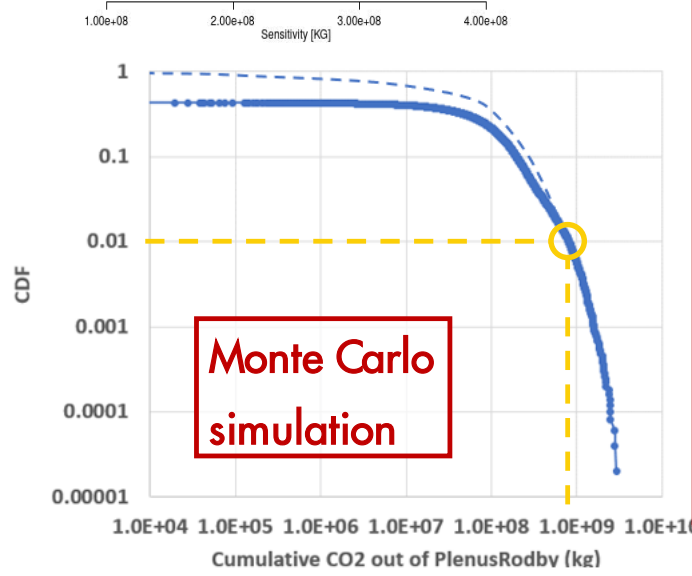
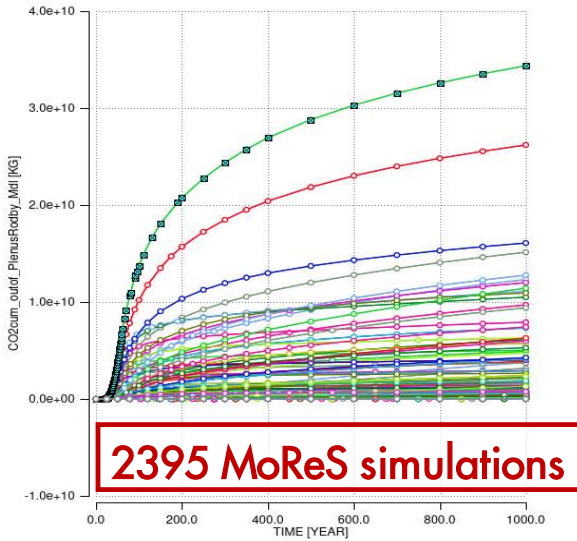
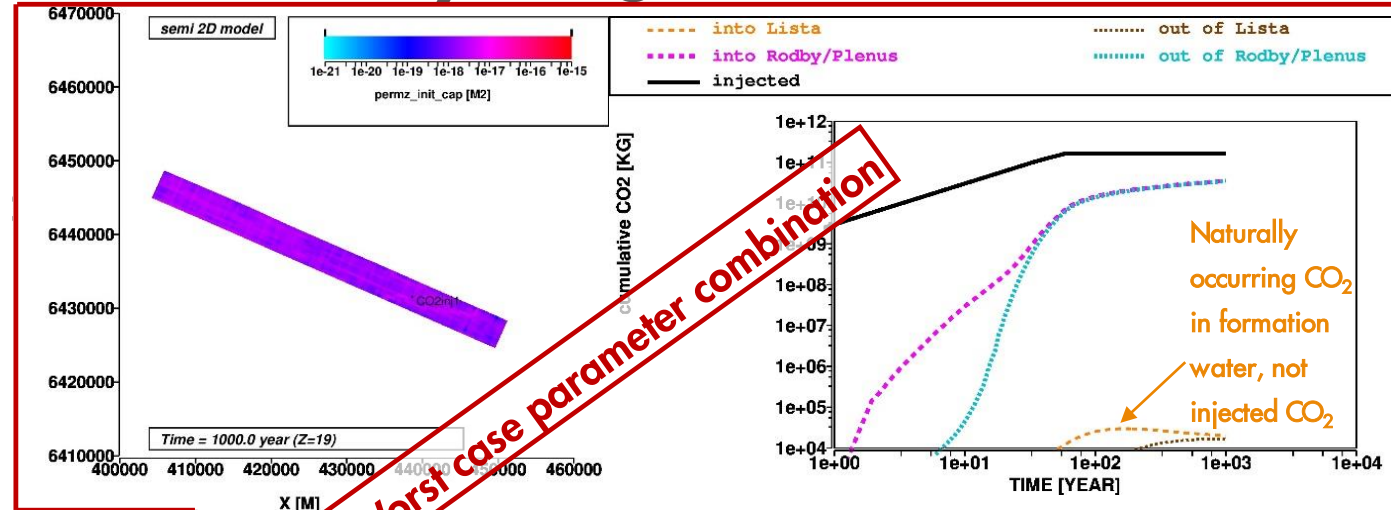
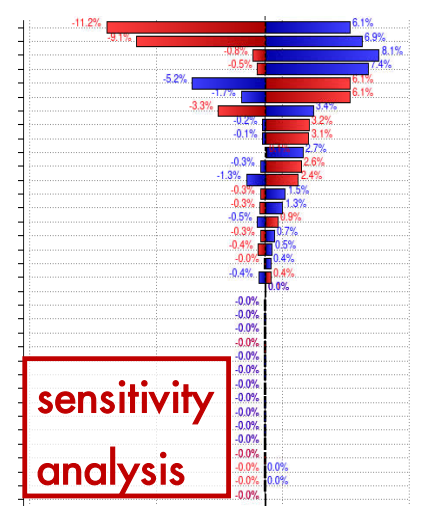
Diffusion into matrix (happens at any storage site)

Flow into fracture damage zones



# North Sea: Results - worst case & uncertainty range

- Migration across primary caprock unlikely
- No migration to top secondary caprock (Storage Complex boundary) in any realisation



# Conclusions

## Green River

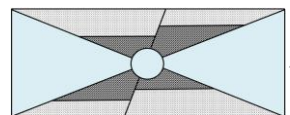
- DETECT workflow produces credible matches to measured data

## North Sea (Captain Fairway)

- DETECT workflow predicts that fault-fracture systems pose only a low threat to containment
- No migration to top secondary seal (Storage Complex boundary) in any realisation
- Migration across primary caprock unlikely

## What are effective geological barriers?

- Ductile caprock (low Young's modulus) → even if fracture networks present, they have low permeability
- Good quality secondary reservoir → even if primary caprock leaks, CO<sub>2</sub> dissolves near base 2<sup>nd</sup> reservoir
- Good connection of storage reservoir to wider aquifer → main leakage driving force quickly dissipates



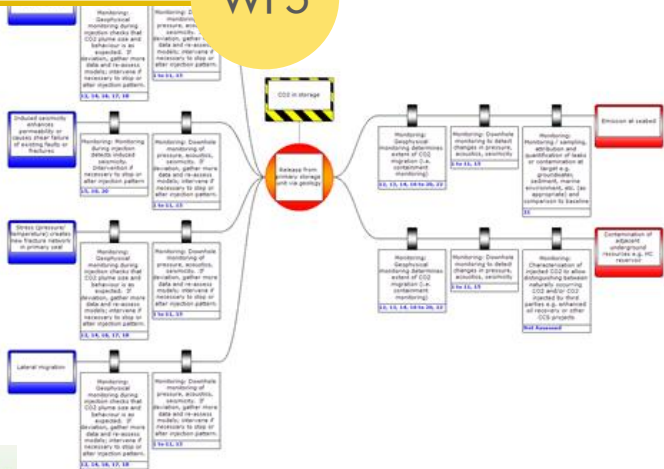


# Q&A

Jeroen Snippe, DETECT WP3 lead  
jeroen.snippe@shell.com

## Geological Leakage Risk Assessment

Incorporate all modelling and monitoring barriers in a qualitative bowtie risk assessment framework with associated quantitative scenario modelling tool

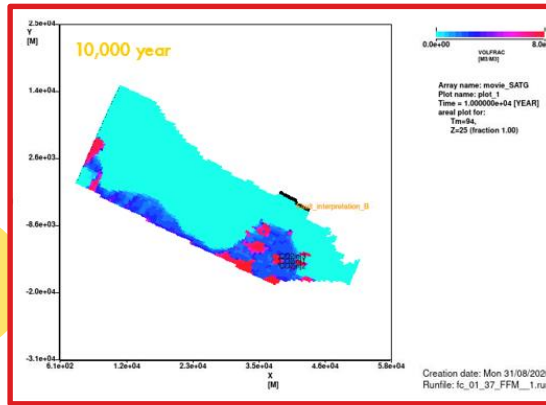


WP5

Identify active monitoring barriers relevant for site and expected leakage rates

Modelling results inform effectiveness of passive barriers (in seals and secondary storage units)

WP4



Probabilistic dynamic simulation using uncertainty ranges on all (parametrized) controls  
Estimation of leakage rate distribution and likelihood at each caprock in CO2 storage complex

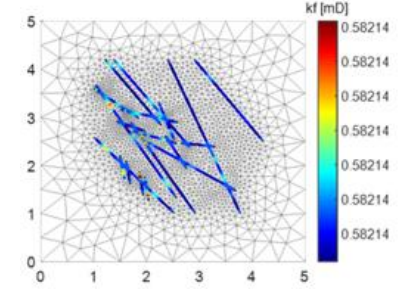
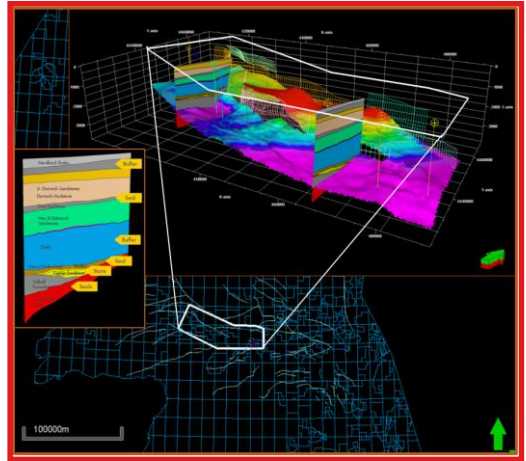
WP3

Hydromechanical coupling using lab-derived stress-permeability relations and analytical stress-state model

Effective fracture + matrix vertical permeability, RLP, CPR for each cell in seal derived from numerical up-scaling

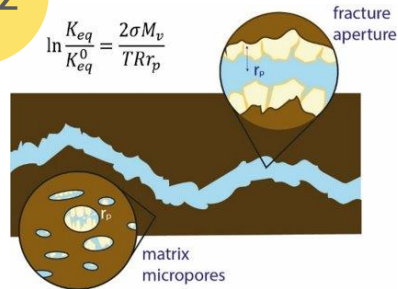
Simulate flow in fracture networks in caprocks  
Scaling relations based on meso/fine-scale modelling & analogues

Characterise background stresses and log-derived rock transport and geomechanical properties

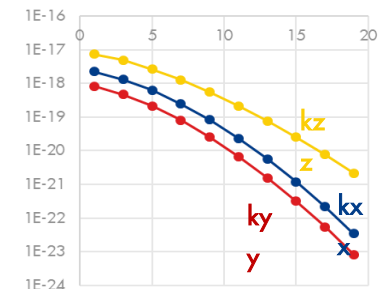


Experimentation and numerical modeling to characterise single fracture processes

WP2



Quantifying the impact of small-scale physics on CO2-brine flow at fine-scale



Characterise fault-fracture networks using analogue derived scaling relations: fault throw-length-frequency



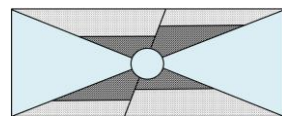
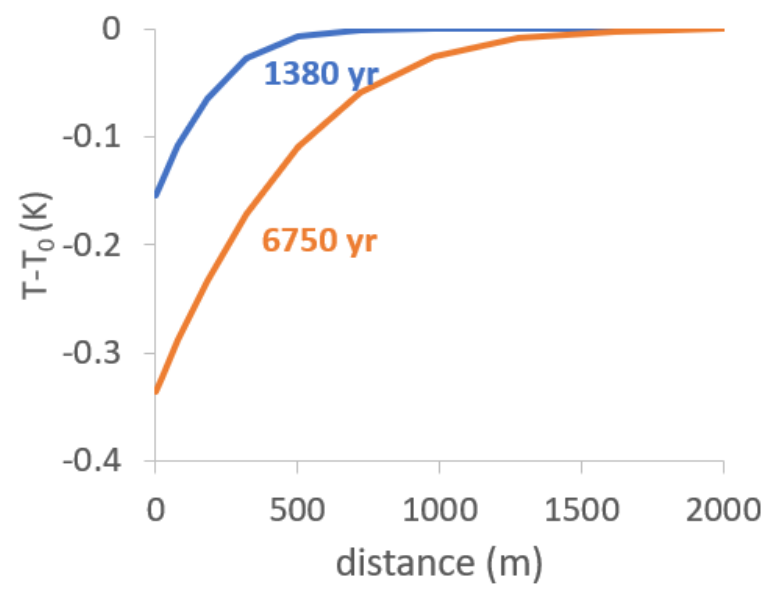
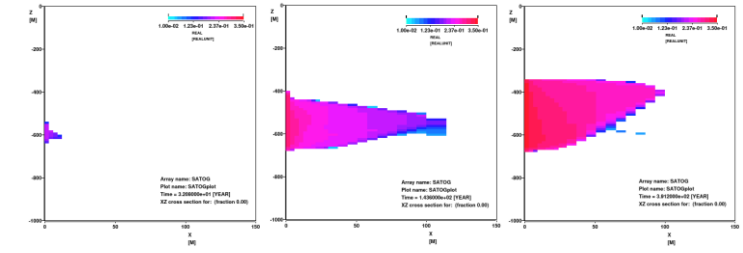
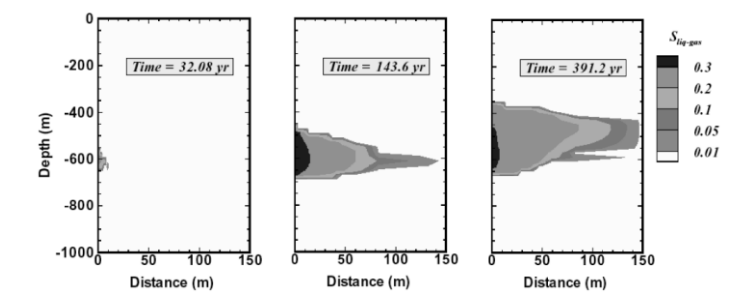
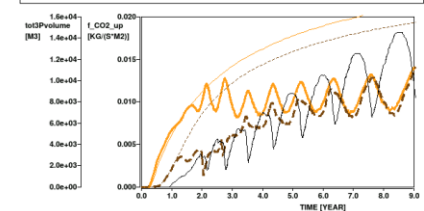
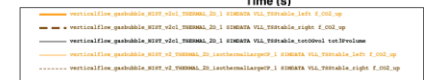
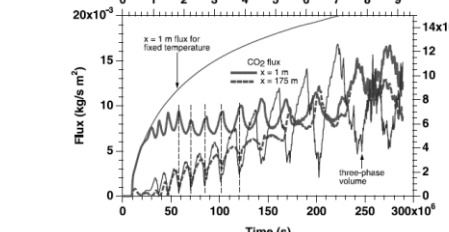
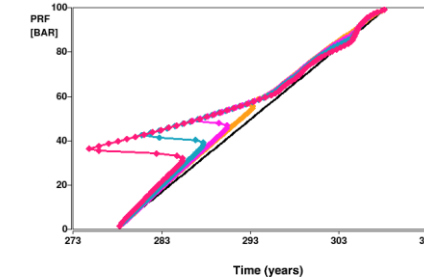
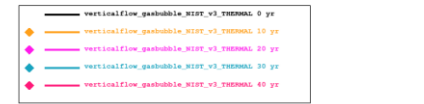
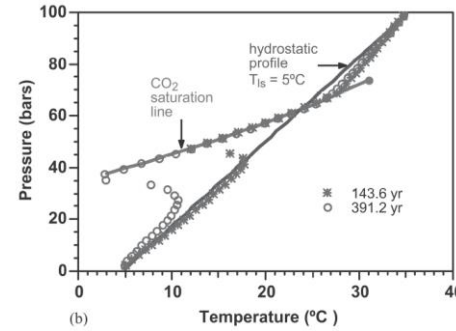
---

# BACKUP



# Insights: Isothermal is sufficient

- Pruess 2004&2005 TOUGH2: severe cooling
  - Results reproduced in MoReS
  - Assumed frac perms/leak rates are extremely high
  - Leak rates obtained from DETECT are much smaller
  - Application to Green River frac perms/leak rates →  $<1^\circ\text{C}$  after 10,000 yr
    - Confirmed by semi-analytic approach
- for realistic leak rates, isothermal is sufficient
- As long as initial T-z profile is incorporated
  - Preferable because thermal mode adds complexity



# DETECT application to projects

## Process

- Qualitative bowtie. If credible risk → modelling, linking to available monitoring data where available

## Minimum input data requirements for quantitative model

- 3D model of primary reservoir, seal, secondary reservoir; or for quick analysis (2D box model) a type log
- Seismic fault set (can be fault traces derived from attributes)
- Scaling relations for fault and fracture distributions
  - Those in the North Sea application are widely applicable, but constrain with local data if available
- Young's modulus of caprock
- P, T, stresses as function of depth
- CO<sub>2</sub> injection rates and locations
- Monitoring data if available

