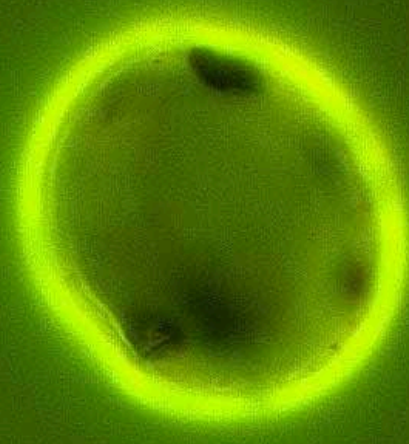


FINDING AND MODELLING OIL SWEETSPOTS IN NEW ZEALAND'S COALY SOURCE ROCK SYSTEMS



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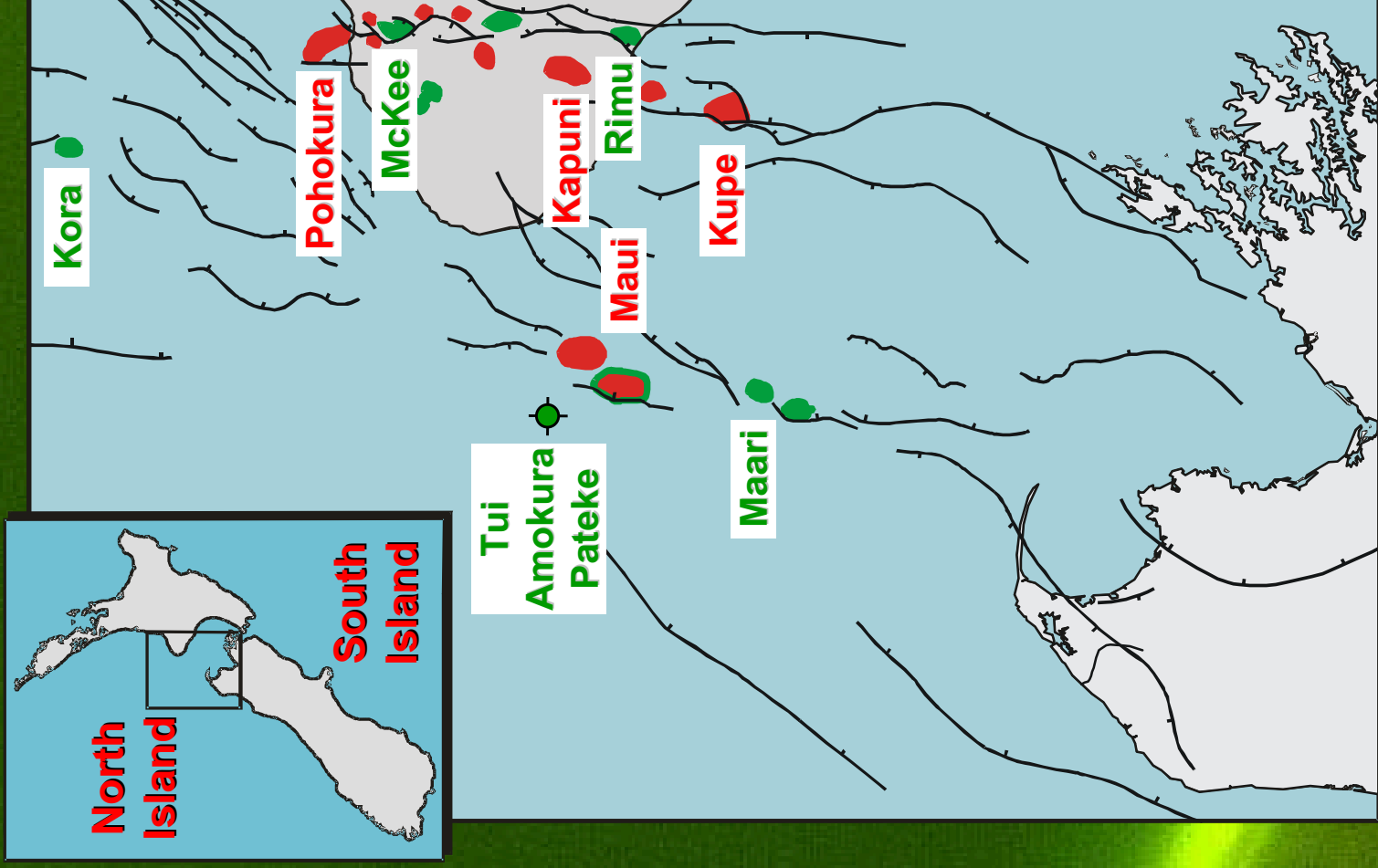
³ Applied Petroleum Technology, Kjeller, Norway

Coals source only
gas and condensate.

Yeah right.



Taranaki Basin: a primarily terrestrially sourced, gas-condensate-rich province ...



Total recoverable reserves

Gas	6.5 tcf
Oil/Cond.	438 mmbbl
Gas:liquids	2.7

(Crown Minerals, 2004)

but with a steady growth of small- to medium-sized (<50 mmbbls) oil discoveries



Objective

To summarise some recent advances in knowledge and technology that have the potential to help increase the rate of oil discoveries in New Zealand basins, through:

- Improved understanding of the distribution of oil-prone coaly facies.
- Better modelling of expelled and reservoired petroleum phases and properties (e.g., GOR, API) through time.

Outline

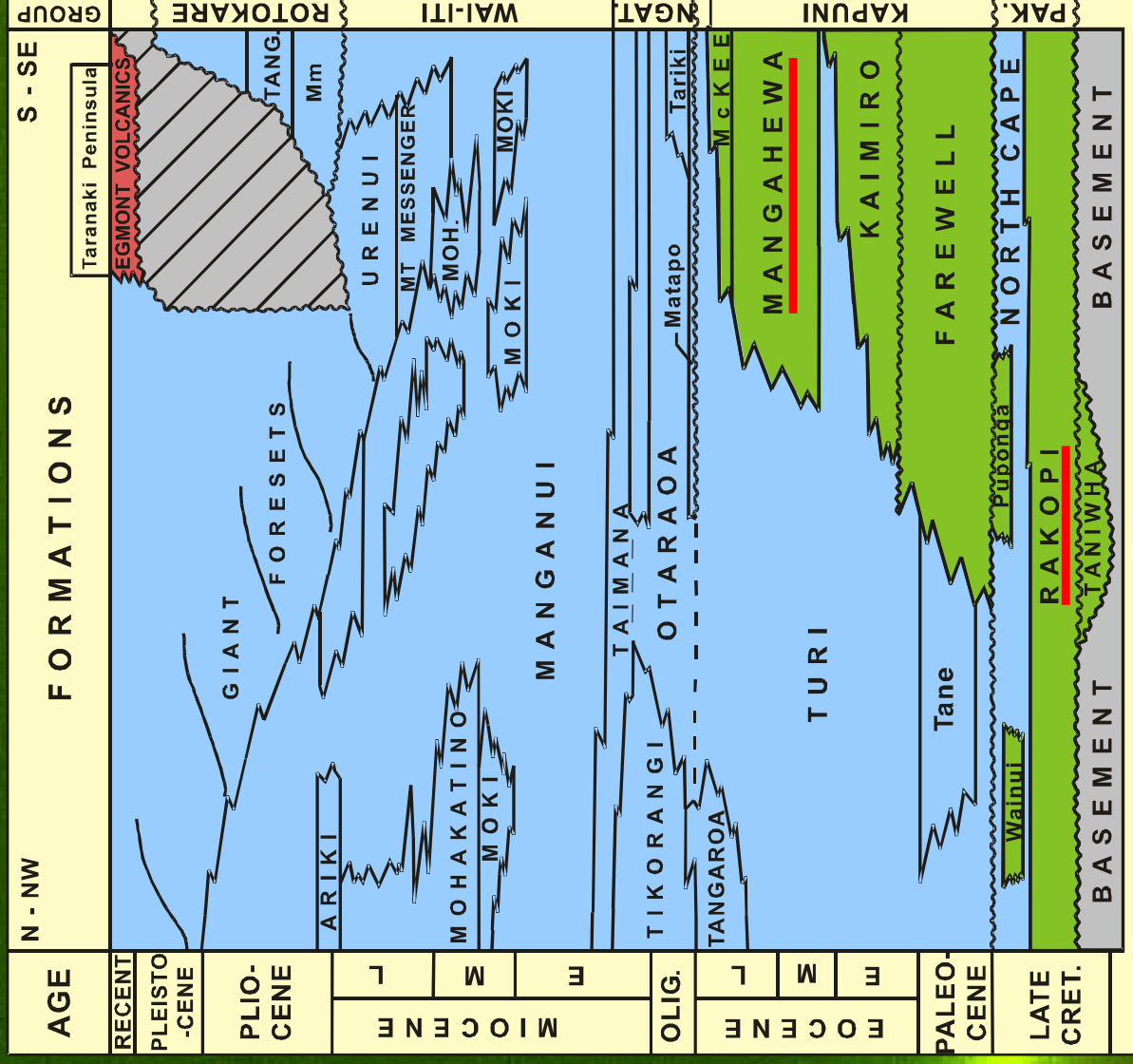
1. Coaly source rocks (defining the range)
2. Leaf biomass (main control on waxy, paraffinic oil potential)
3. Marine influence (enhancer of total oil potential)
4. Scaling up for basin modelling
5. Phase Kinetics
6. Conclusions

Acknowledgement

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1. Coaly source rocks

Taranaki coaly source rock formations



Kapuni Group
Paleocene–Eocene

Pakawau Group
Late Cretaceous

Taniwha Formation
Mid Cretaceous

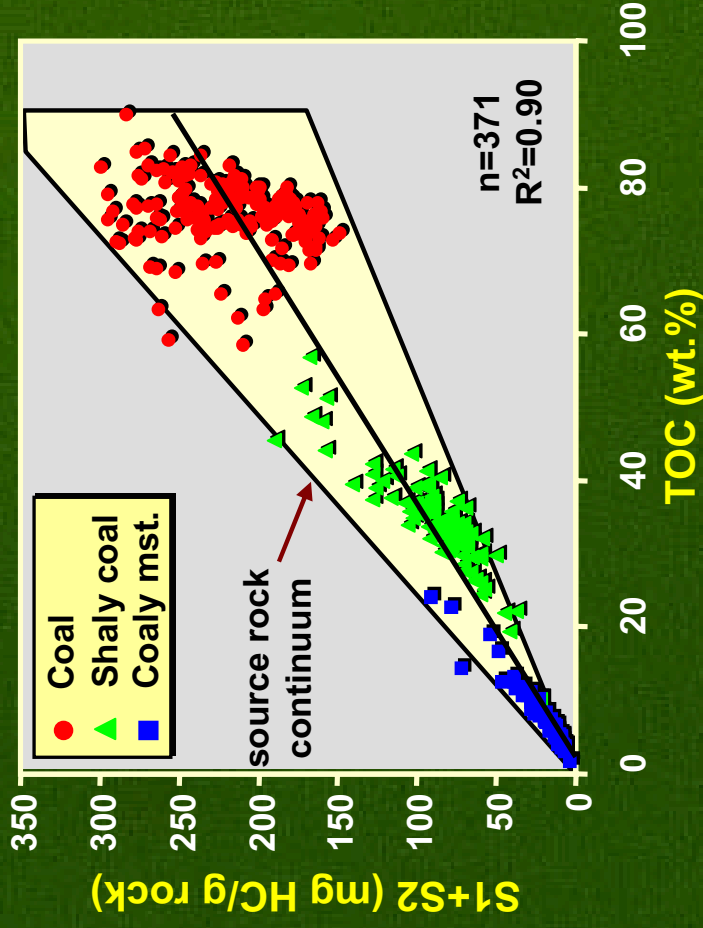
NB. All Taranaki coal measure formations and many of those in other NZ basins are marine-influenced

(after King & Thrasher 1996)

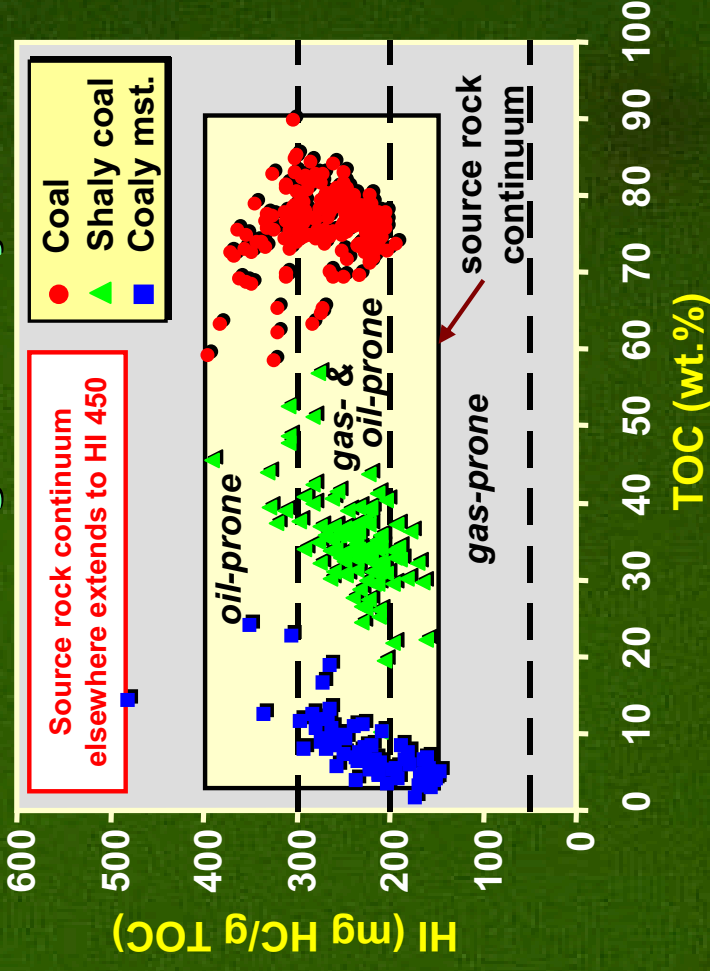
Coaly source rock continuum

Mangahewa Formation, Taranaki

Total Genetic Potential



Kerogen Quality



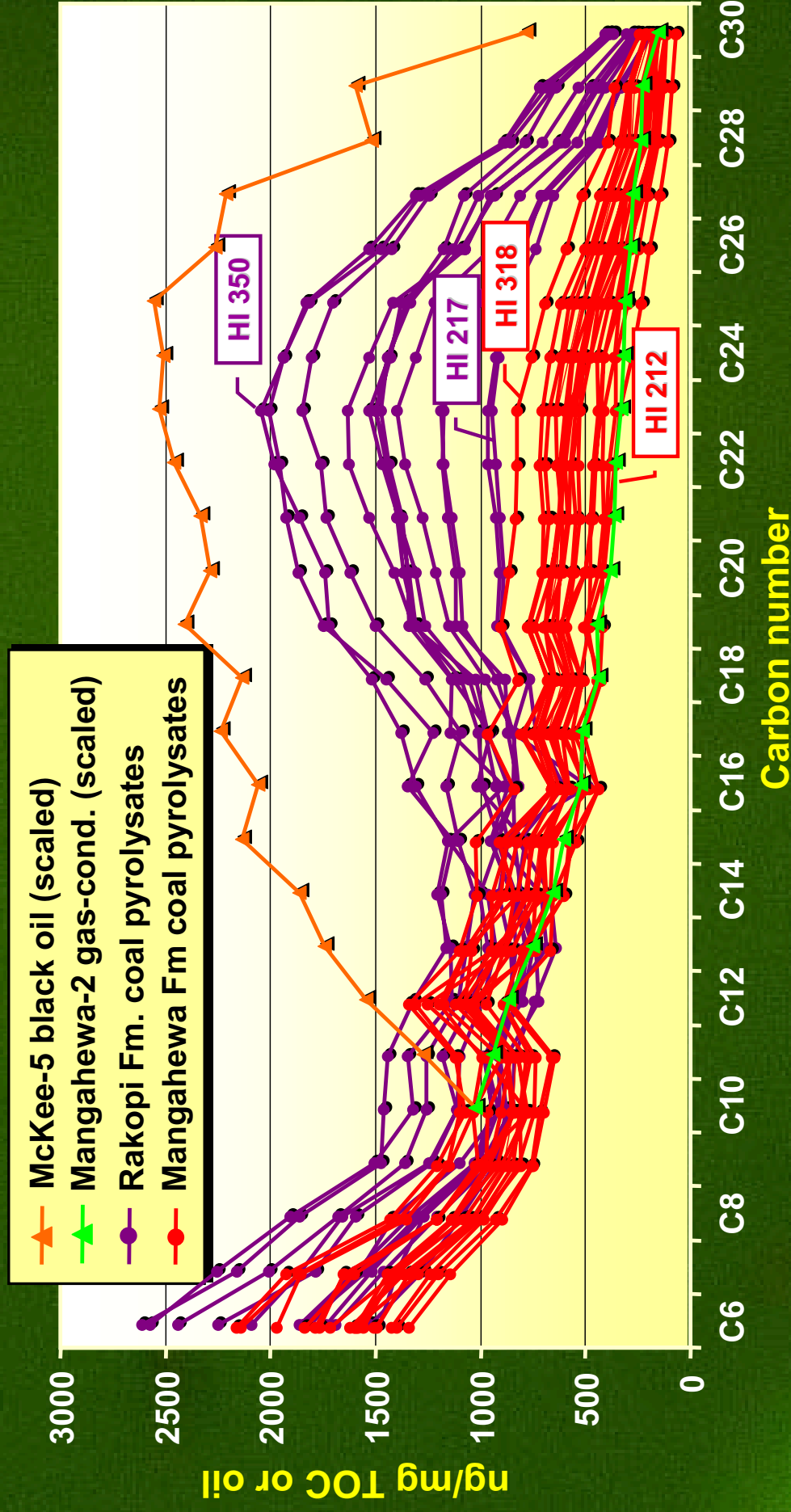
- The effective coaly source rock continuum begins at ~3% TOC (slightly coaly mudstone).
- Coaly mudstone is the dominant contributor to total genetic potential in some sequences.

- Broadly similar kerogen type throughout the continuum, but with important variation.
- So where do we find the more oil-prone coaly source rocks and do all high-HI coaly facies expel black oil?

(Sykes 2001)

Clues from the fluids

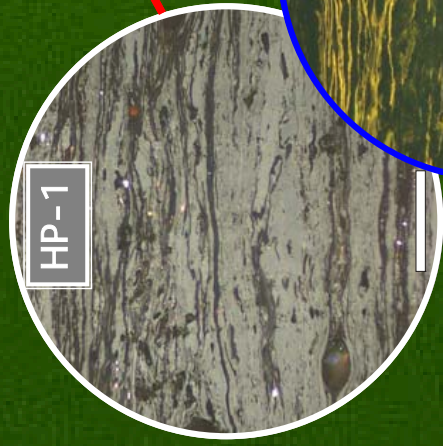
Comparison of *n*-alkyl chain length distributions



- HI is not always a reliable indicator of black oil potential.
- Finding terrestrially sourced black oils must logically begin with understanding controls on the generation and expulsion of waxy, paraffinic (nC_{15+}) oil from coaly source rocks.

NZ coal seam facies model

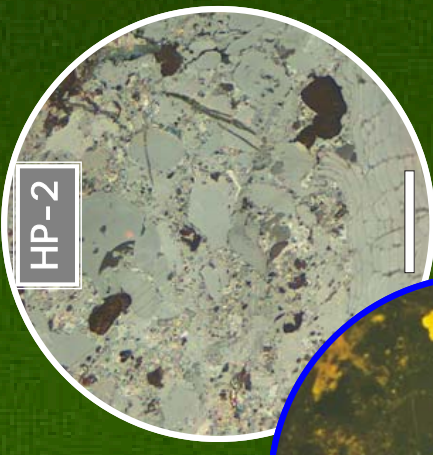
Planar mire seams



HP-1

e.g.
Rakopi
samples

Photomicrograph
scale bars = 50 μm .



HP-2

e.g.
Mangahewa
samples

- Planar (rheotrophic) mire facies
Humic petrofacies HP-1
- Raised (ombrotrophic) mire facies
Humic petrofacies HP-2



Mudstone

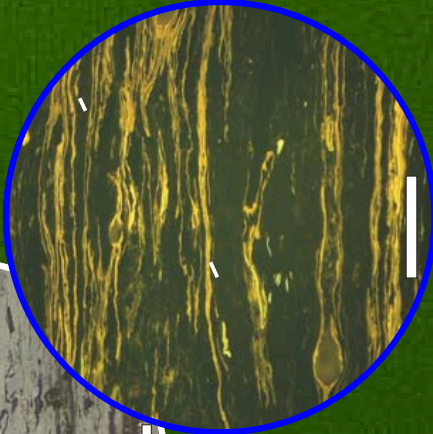
1-2 km



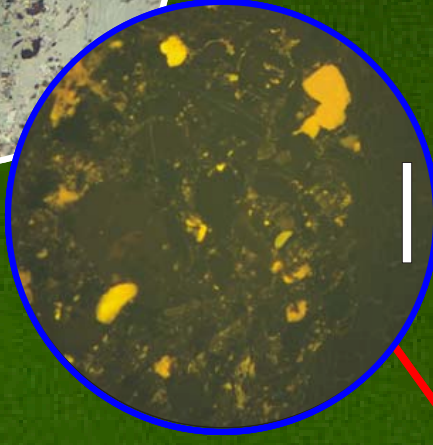
1-2 m



Approx. scale



Raised mire seams



Model
originally
developed for
Waikato coals
(Sykes 1994)

- The two end-member humic petrofacies (HP-1 and HP-2) dominate NZ Cretaceous-Eocene coals and their distributions are, to a degree, predictable.

Oil versus gas-condensate

C_6-C_{14}
80%

Thin, planar mire coals range from gas-condensate- to black oil-prone, whereas generally thicker, raised mire coals tend to be more gas-condensate-prone.

Paraffinic Oil
Low Wax

P-N-A Oil
Low Wax

P-N-A Oil
High Wax

Gas and
Condensate

C_1-C_5
100%

Planar mire (HP-1) coals

- Waikato
- Rakopi

Raised mire (HP-2) coals

- Waikato
- Mangahewa

Paraffinic Oil
High Wax

C_{15+}
80%

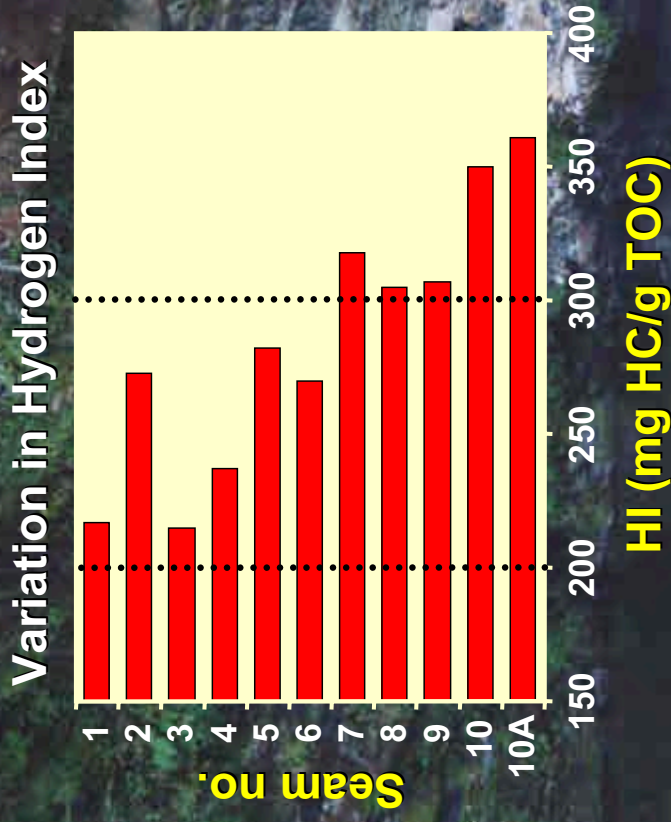
MARINE
LACUSTRINE

DELTAIC
TERRESTRIAL

Classification of Horsfield (1997)

2. Leaf biomass

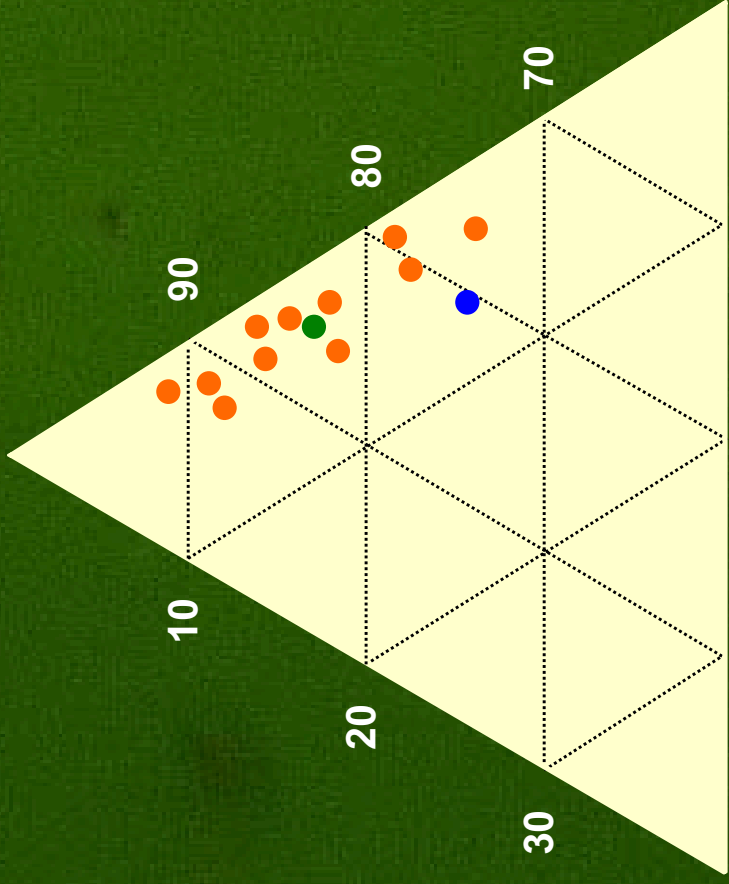
Study of Rakopi coal seams in NW Nelson (Sykes et al. 2004) – First empirical identification of leaf biomass as main source of waxy, paraffinic oil in Taranaki Basin



11 samples from Paturau River (this image) and 2 from Thompson Ck and Knuckle Hill

Variation in petrographic composition

Vitrinite



Inertinite

Liptinite

● Paturau River

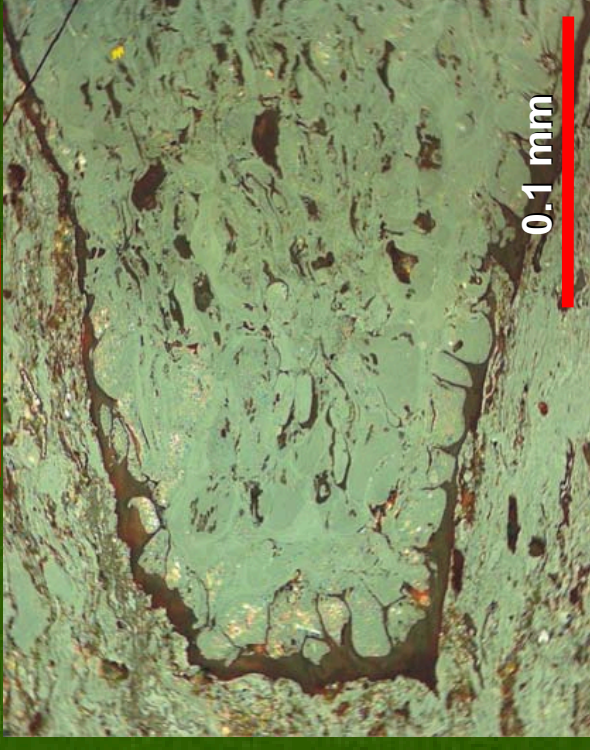
● Thompson Creek

● Knuckle Hill

Vitrinite: 74.1–91.0 vol.% (mmf)

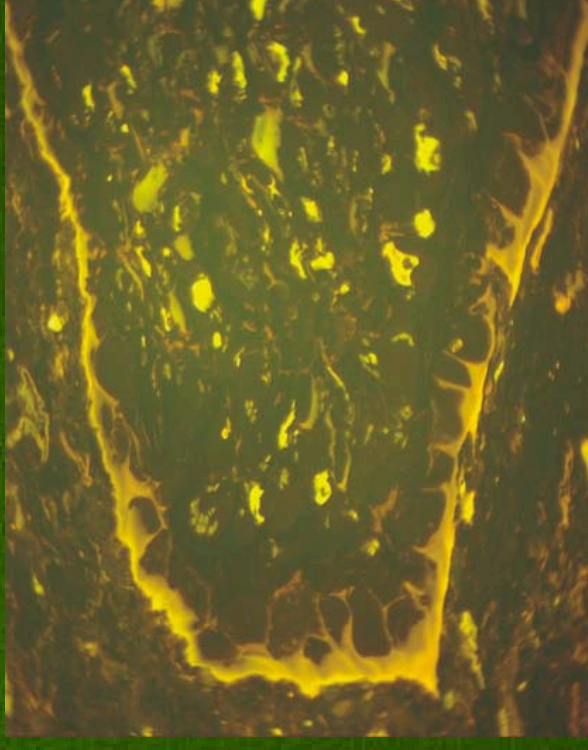
Liptinite: 7.3–22.7 vol.% (mmf)

White light

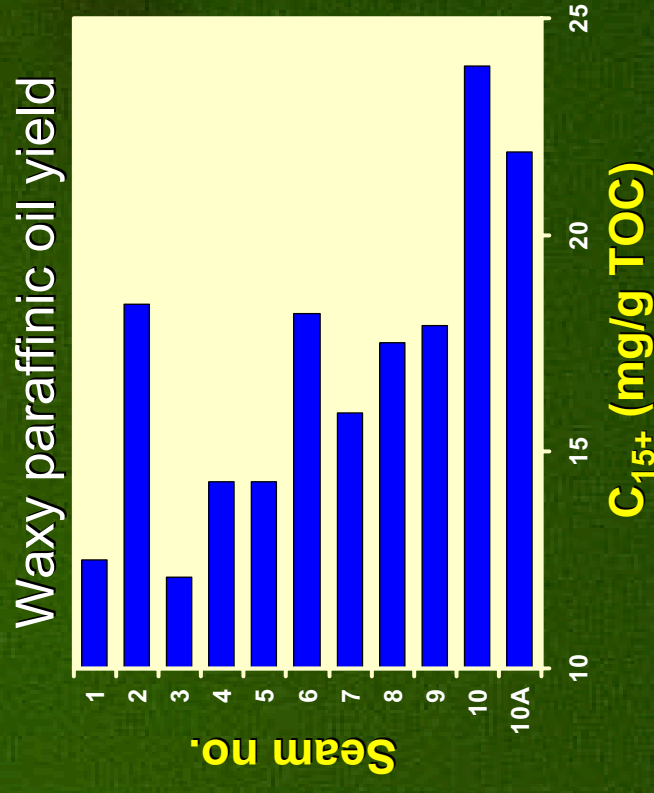
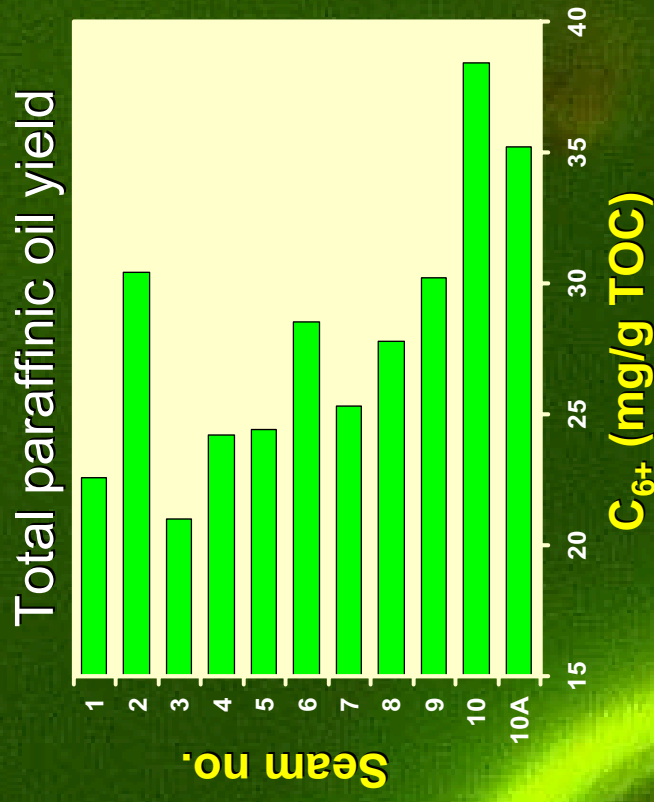
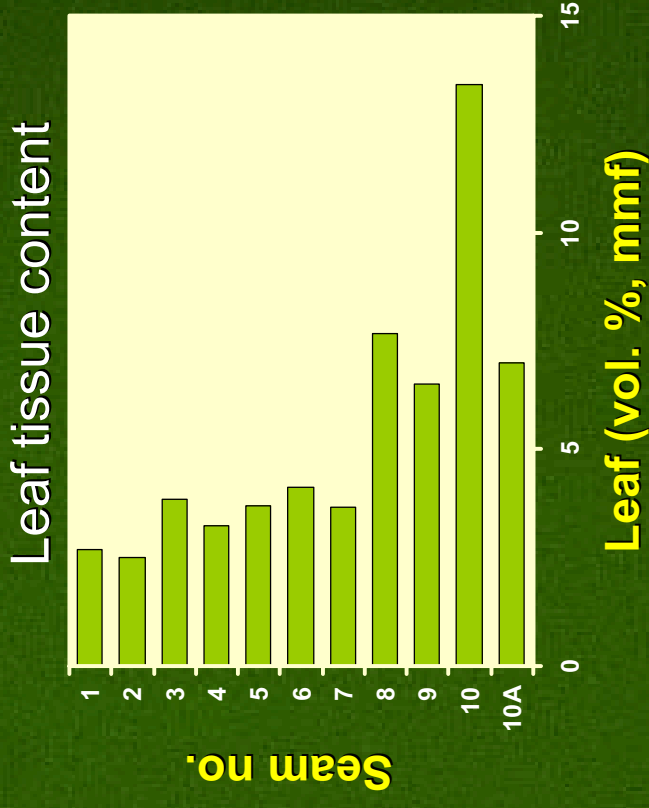
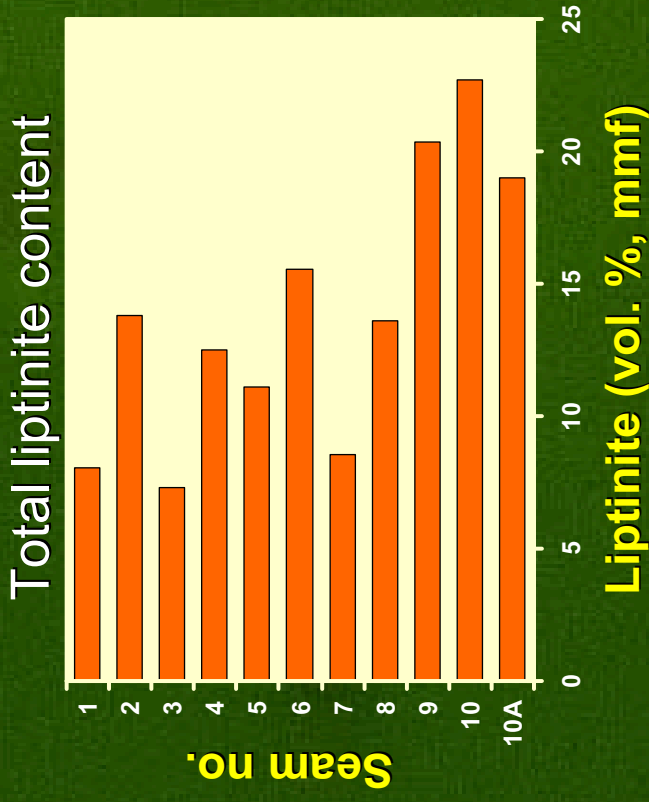


0.1 mm

Blue light

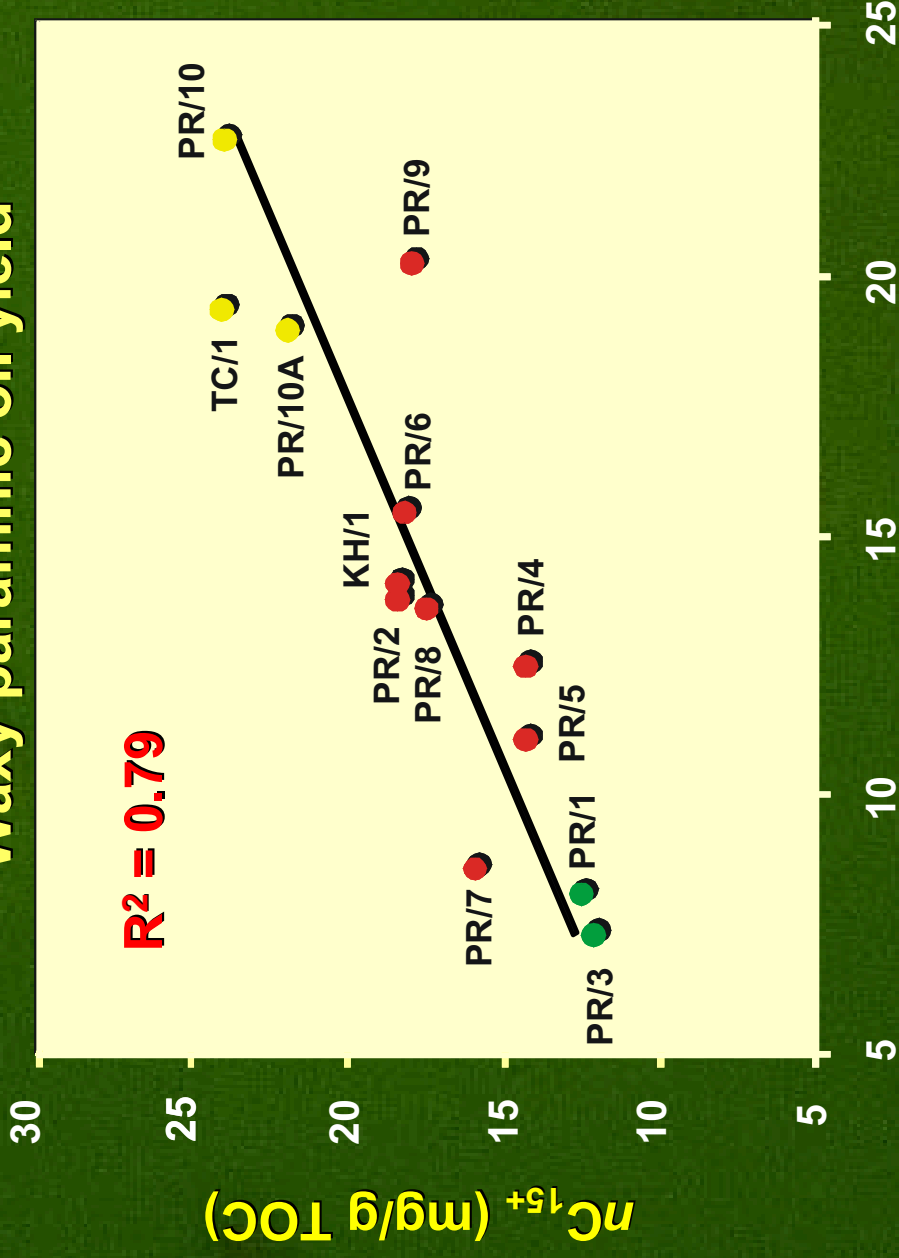


Petrography and paraffinic oil yield



Waxy paraffinic oil vs liptinite content

Waxy paraffinic oil yield



Liptinite in these samples is primarily leaf-derived cutinite and liptodetrinite

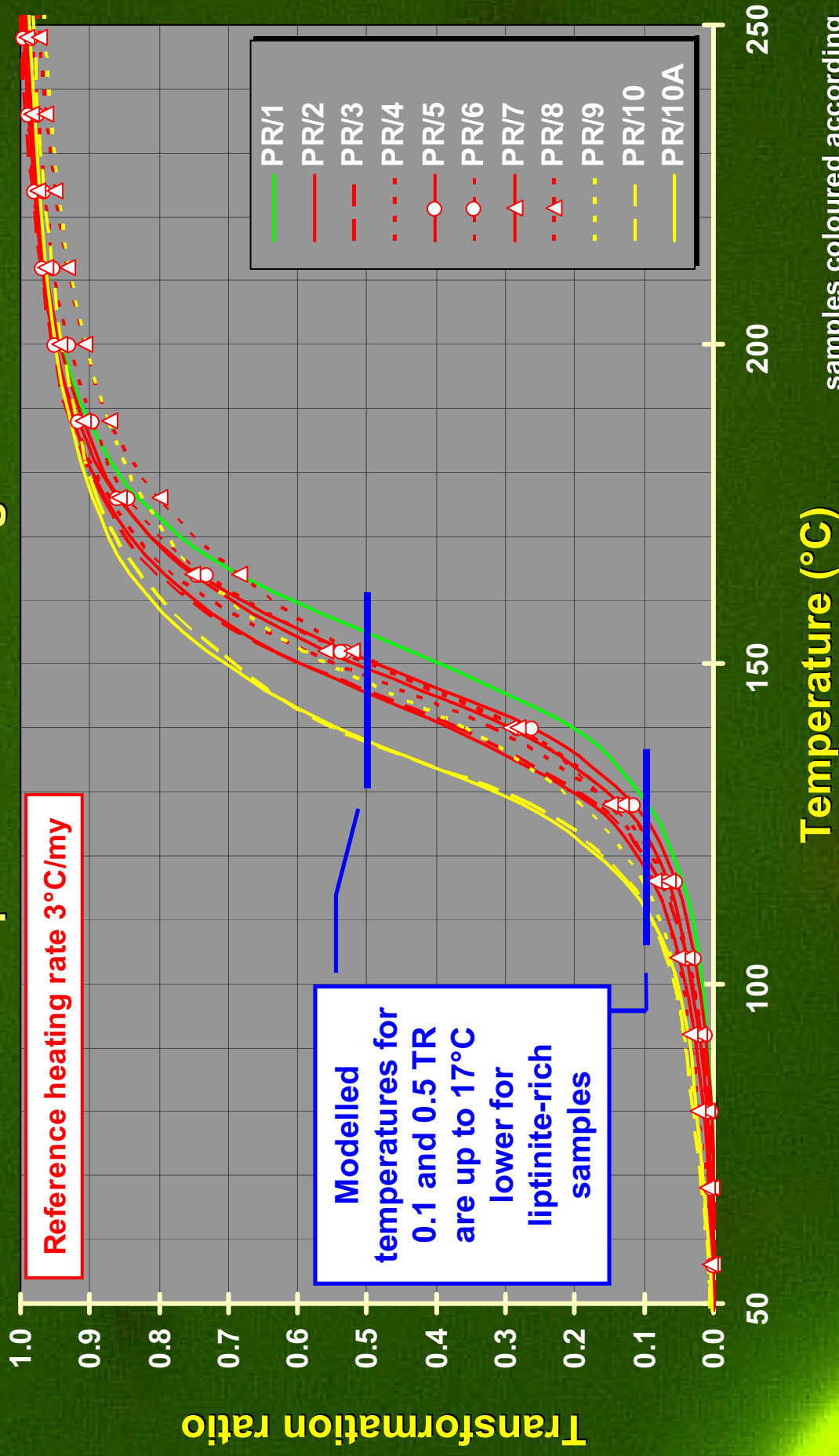
samples coloured according to HCA groupings

Total liptinite (vol. %, mmf)

- Despite constituting <25% of the coaly kerogen, leaf-derived liptinite is the main control on waxy, paraffinic oil yield.
- Similar results obtained for Late Cretaceous coals in Canterbury Basin (Sykes 2004).

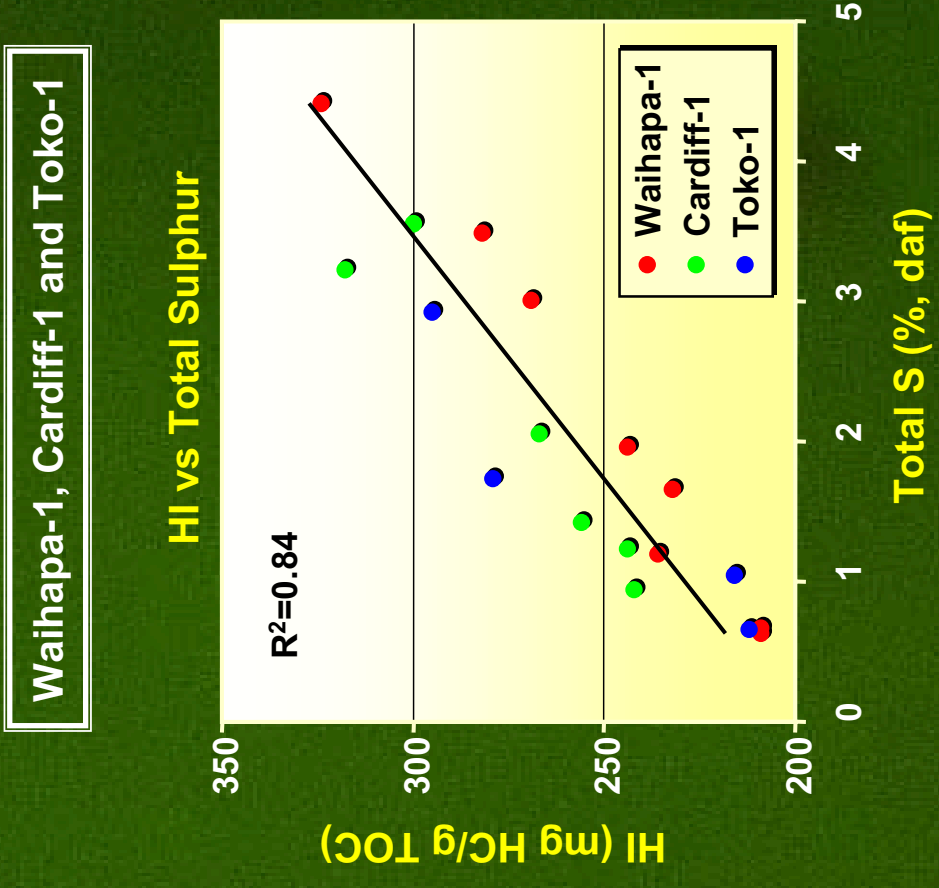
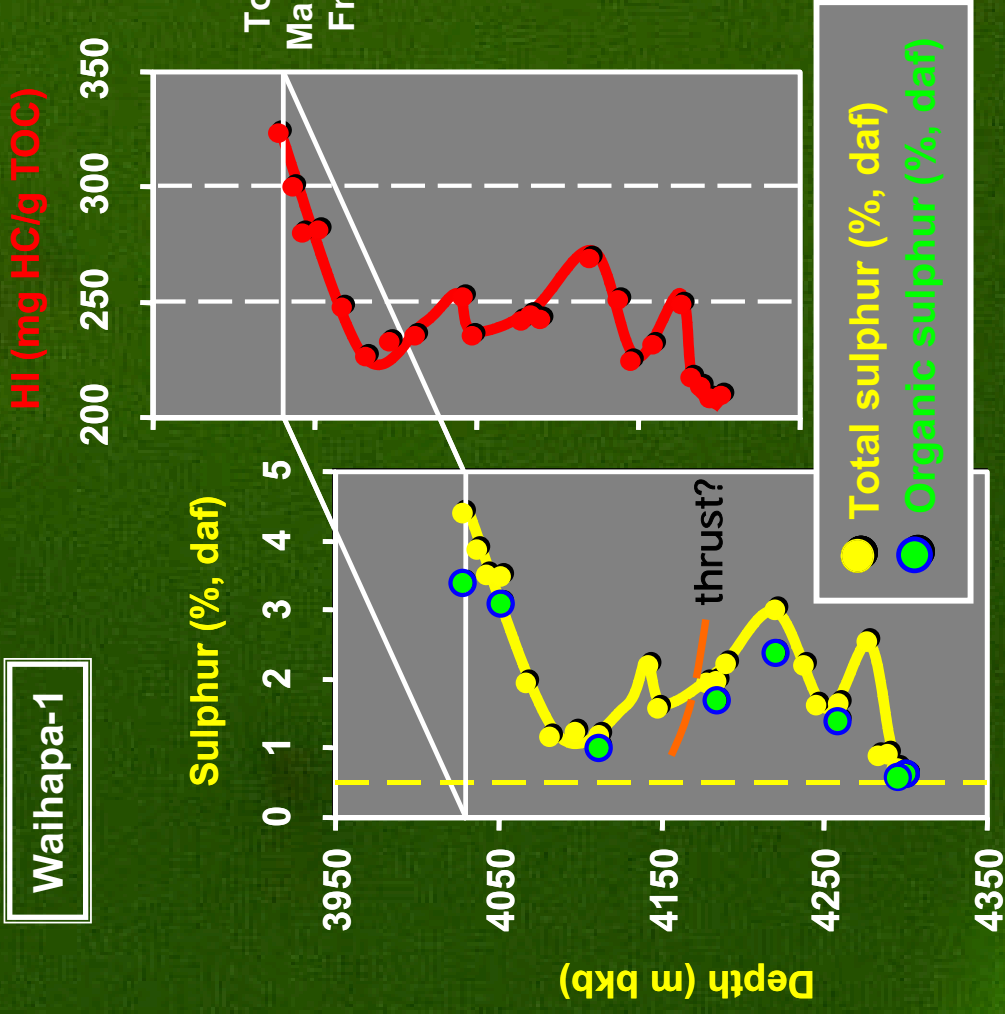
Leaf biomass also affects kinetics

Modelled temperatures for kerogen transformation



samples coloured according to HCA groupings

3. Marine influence



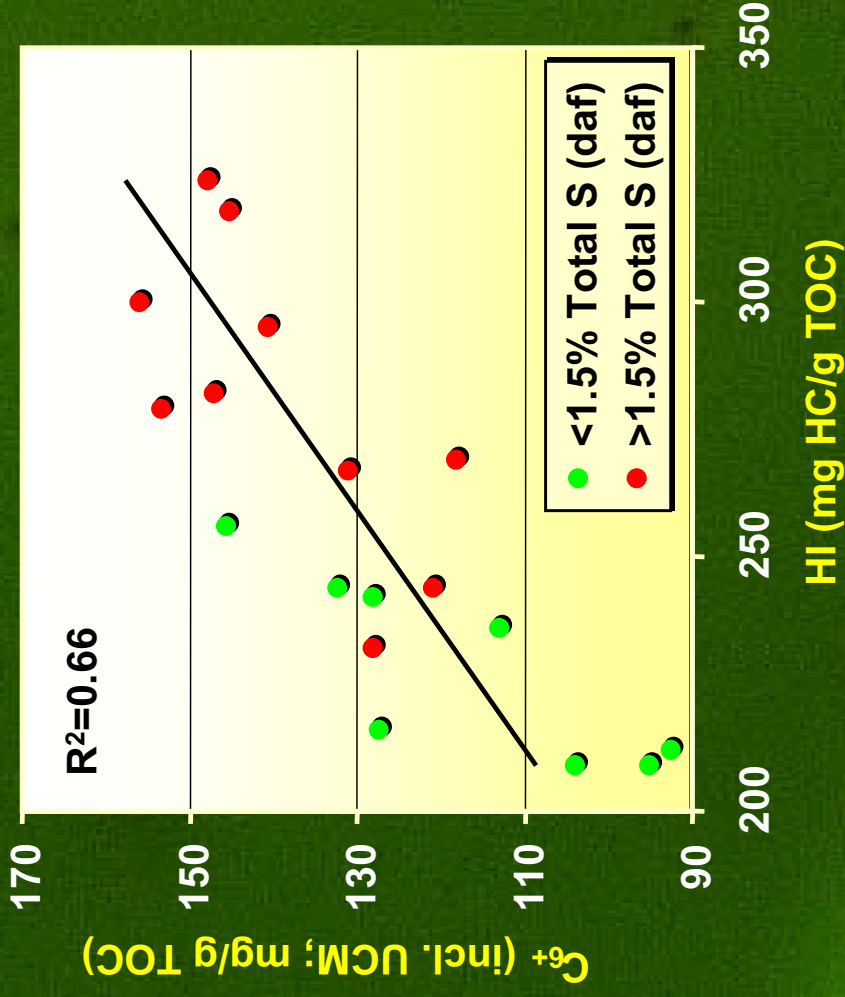
(Sykes et al. in prep.)

- Stratigraphic variations in coal sulphur content indicate syndepositionary marine influence in all coaly source rock formations in Taranaki, Canterbury and Great South basins.
- Marine influence enriches coaly kerogen in hydrogen.

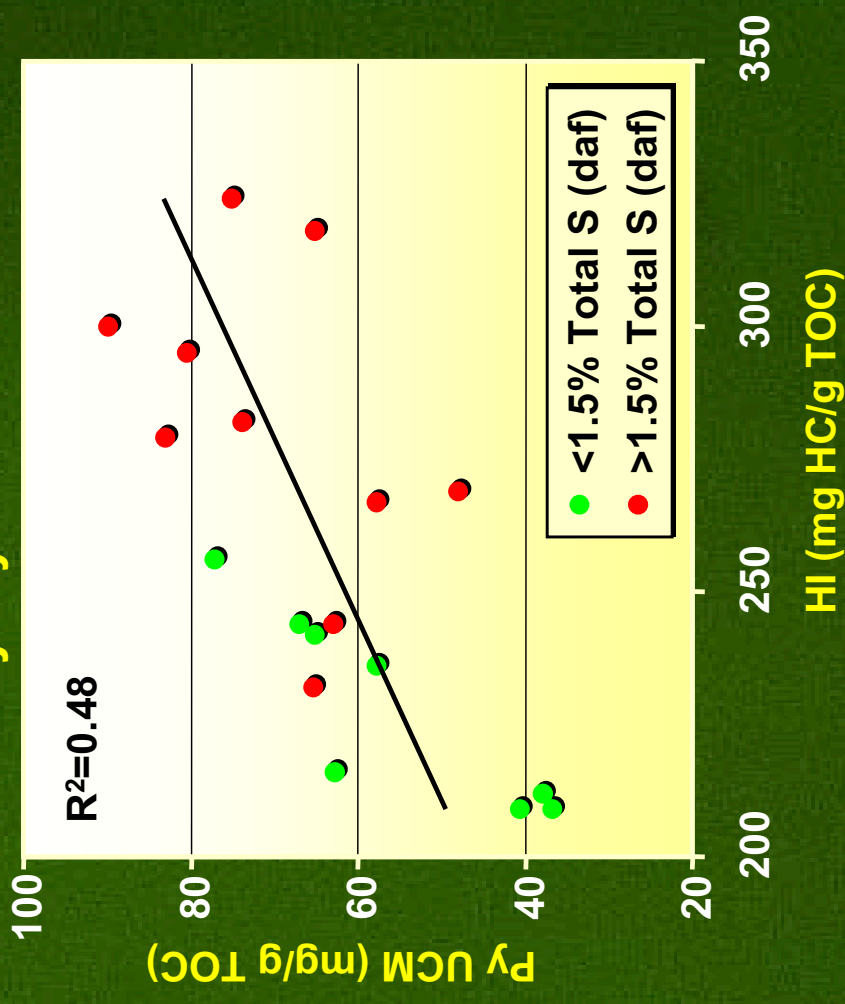
Effect of marine influence on total oil potential

Mangahewa Fm. coals from Waihapa-1, Cardiff-1 and Toko-1

Total oil vs HI



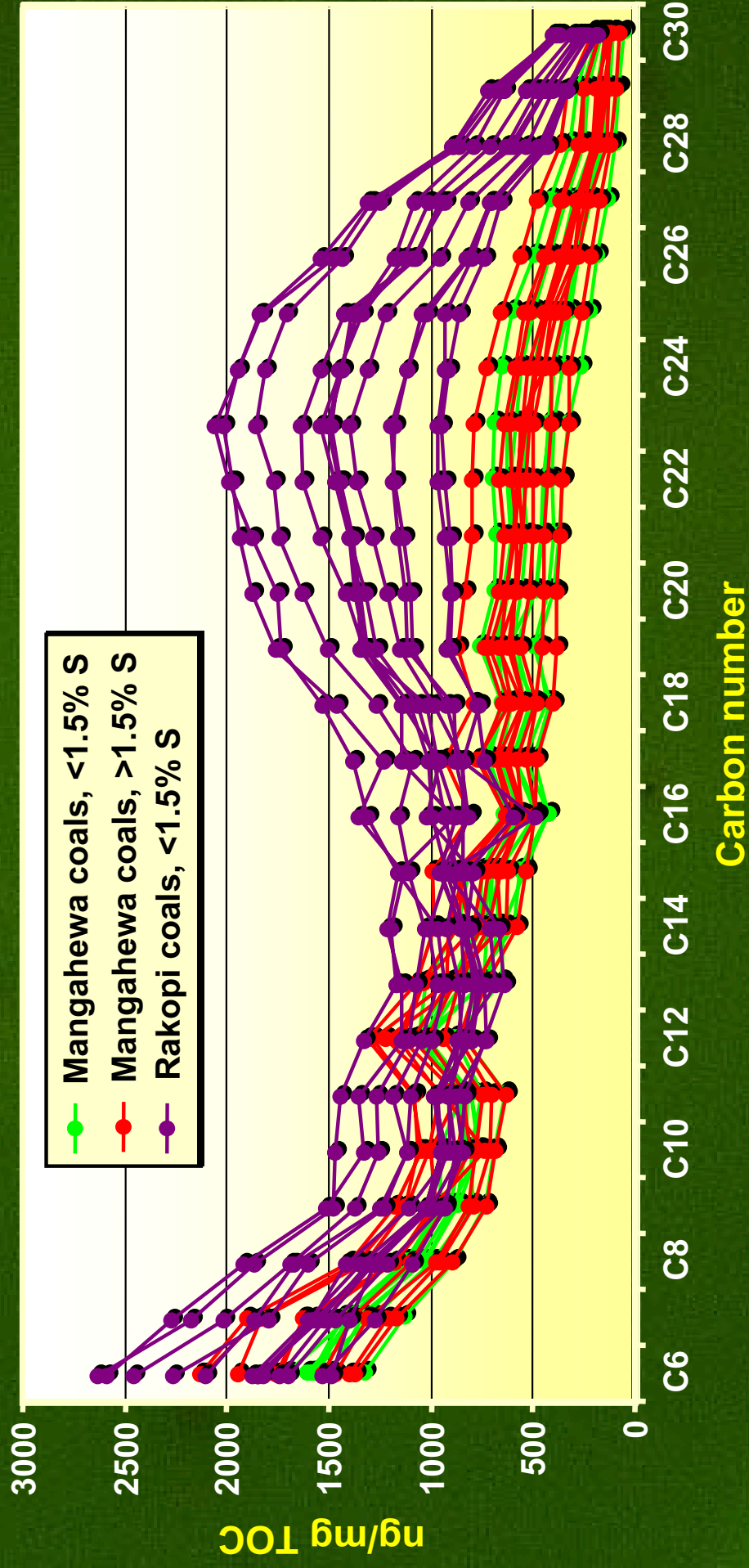
Pyrolysate UCM vs HI



■ Marine influence enhances total oil potential by up to 170%, but much of the increase consists of unresolved complex mixture (UCM).

Effect of marine influence on paraffinic oil potential

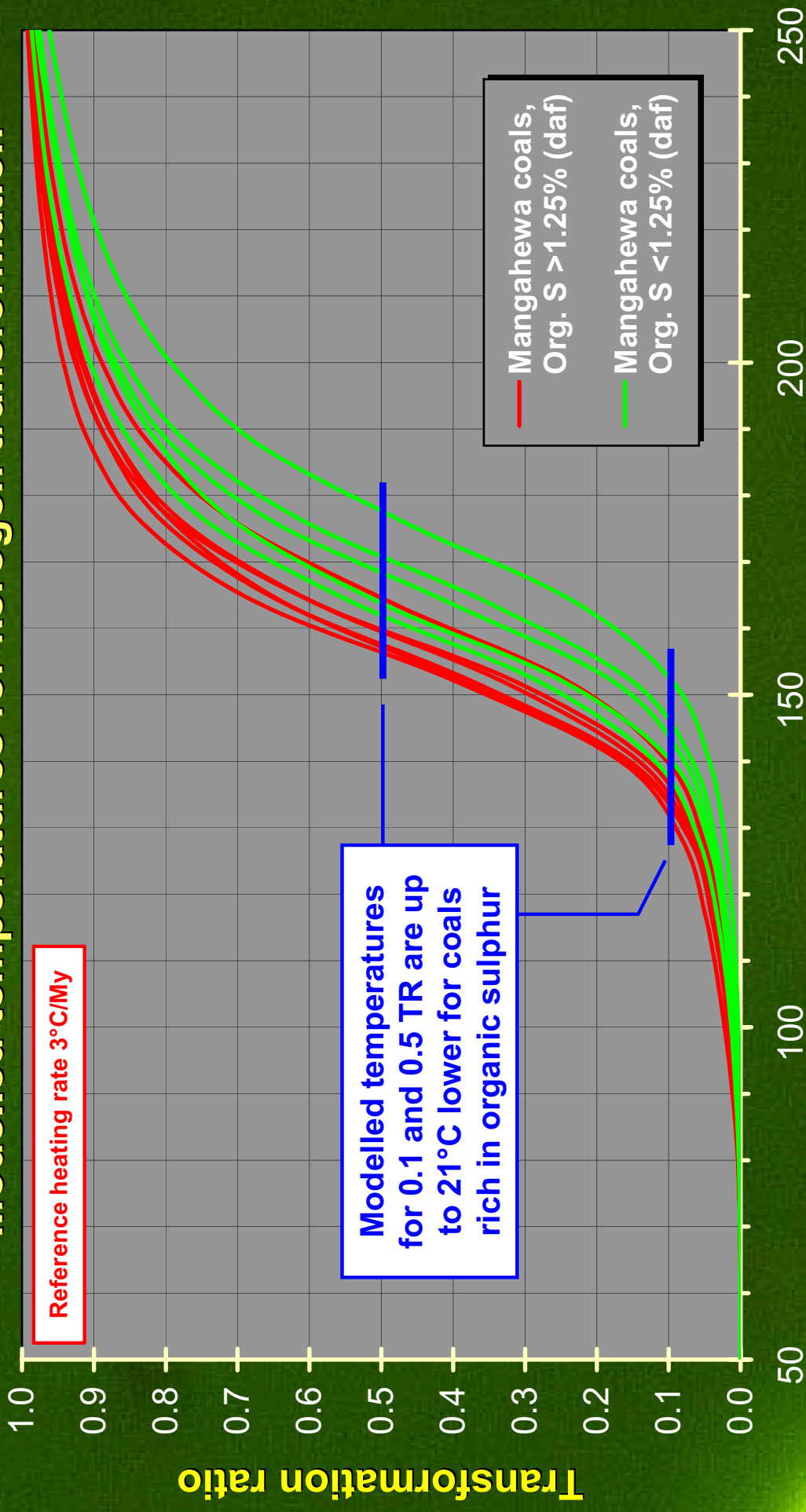
C_{6+} *n*-alkyl chain length distributions



- The degree of marine influence does not have a major effect on paraffinic oil yield, particularly in the non-volatile (C_{15+}) range.
- The waxy, paraffinic oil (nC_{15+}) potentials of these particular Mangahewa coals are low compared to the Rakopi samples owing to lower leaf biomass input and/or preservation potential.

Effect of marine influence on kinetics

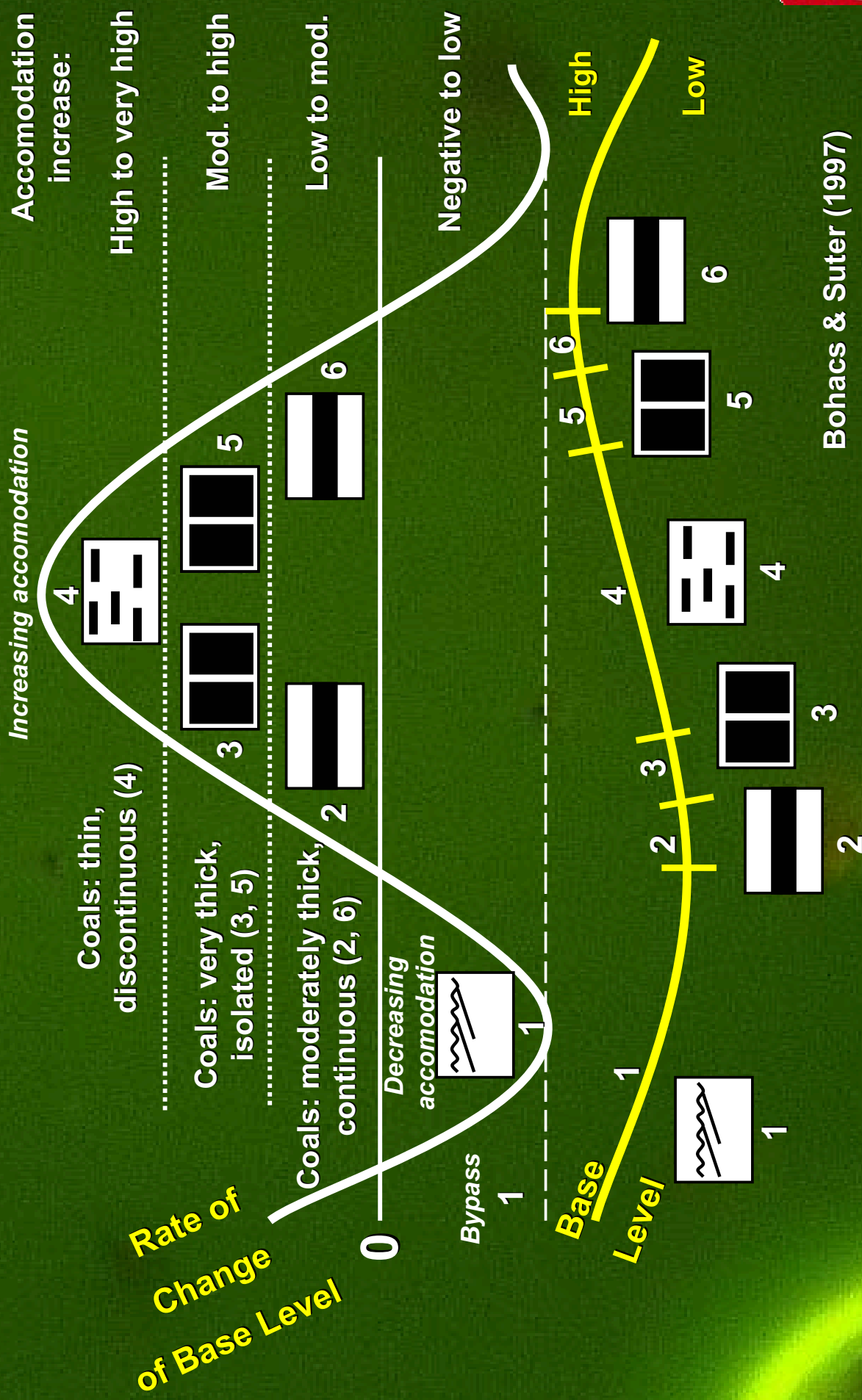
Modelled temperatures for kerogen transformation



Temperature (°C)

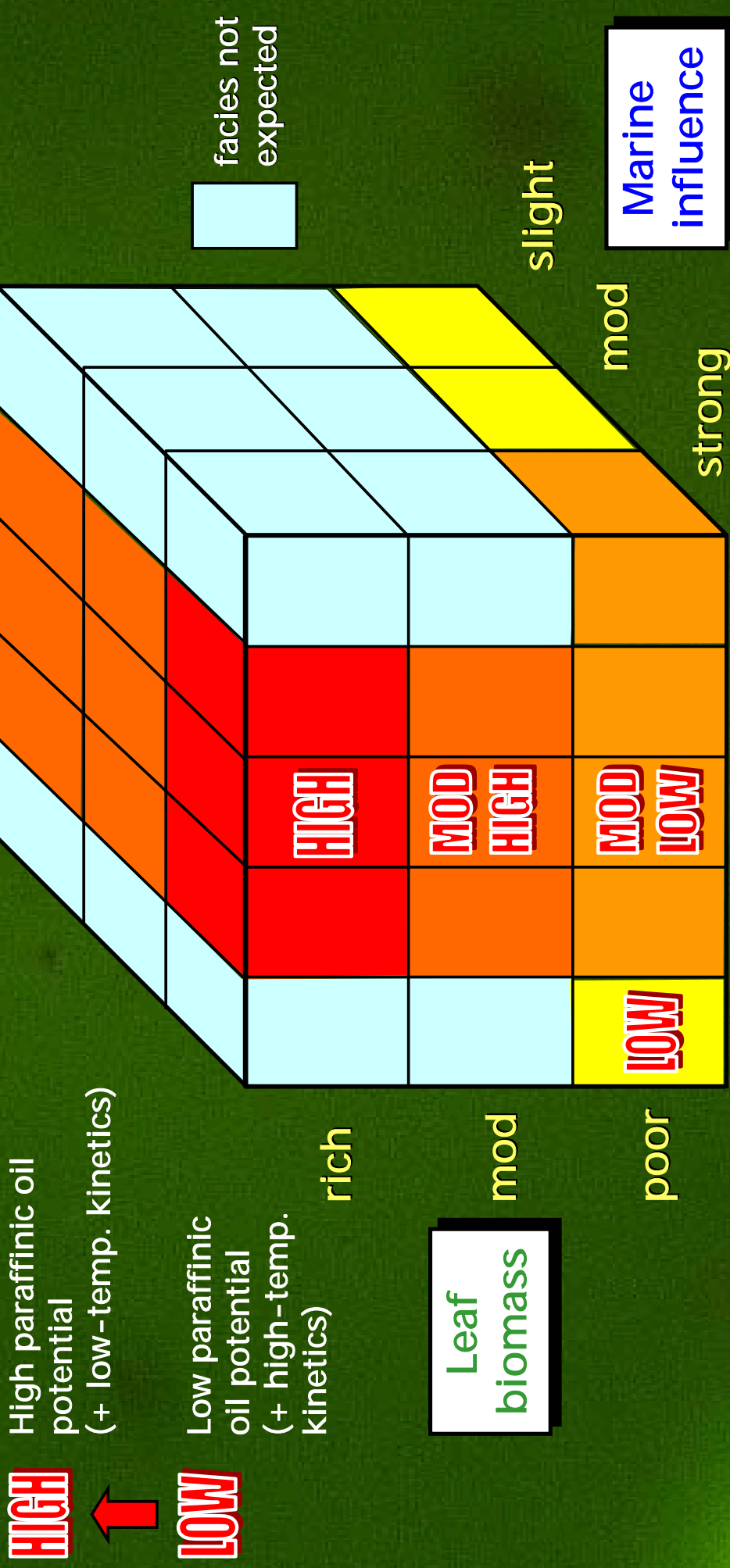
4. Scaling up for basin modelling

Using sequence stratigraphy to map coaly source rock facies



Coaly source rock facies array: oil potential

A facies-based framework for discretization of modelling inputs



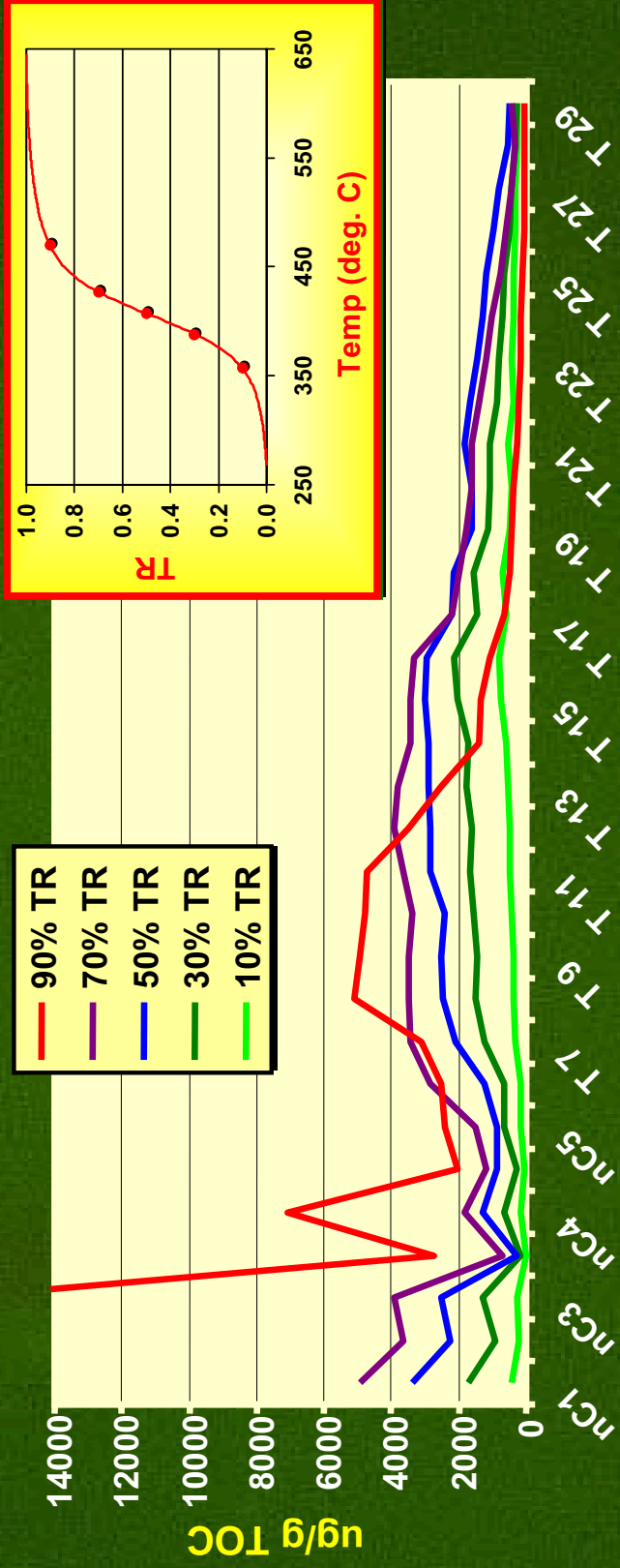
HP-1 = planar mire coal
HP-2 = raised mire coal

coaly lithofacies

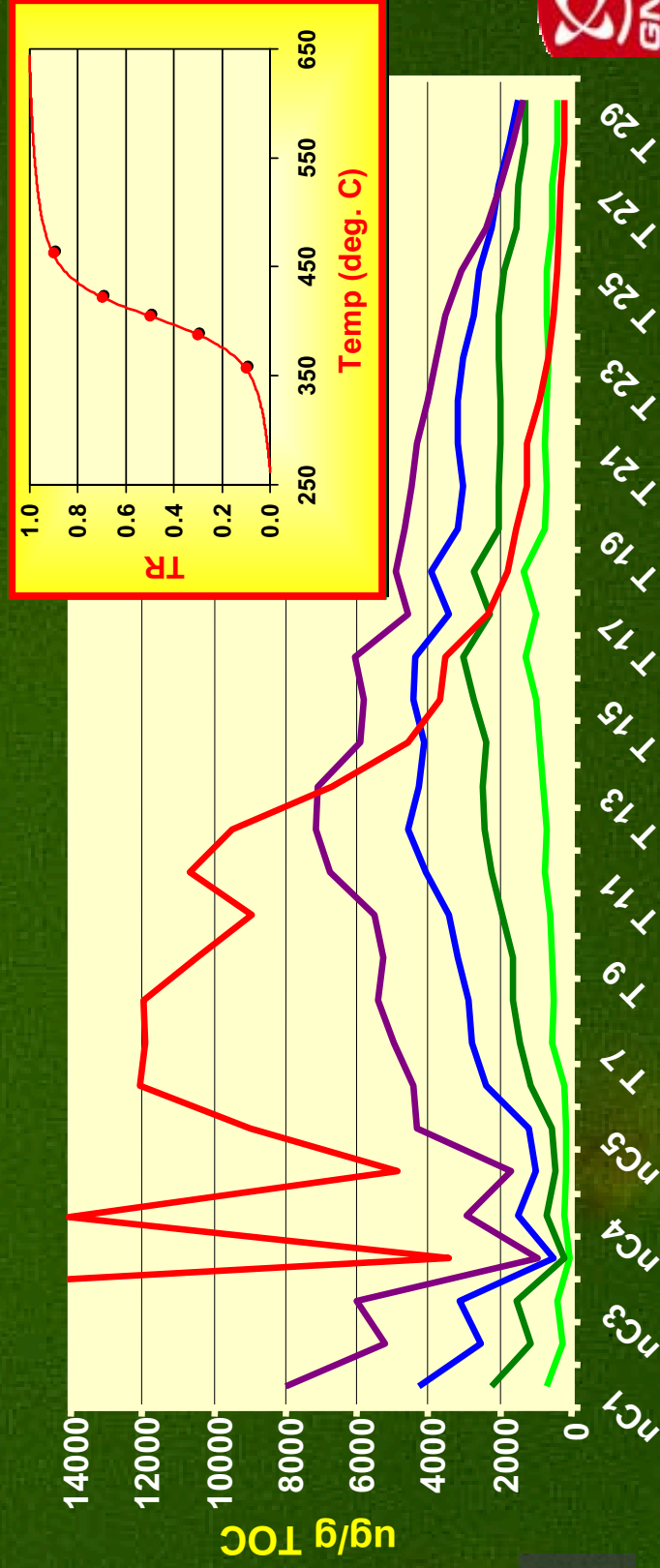
5. Phase Kinetics¹

Leaf-poor
Rakopi coal
(PR/1, HI 217)

MSSV pyrolysis
component
yields are
measured at five
transformation
ratios



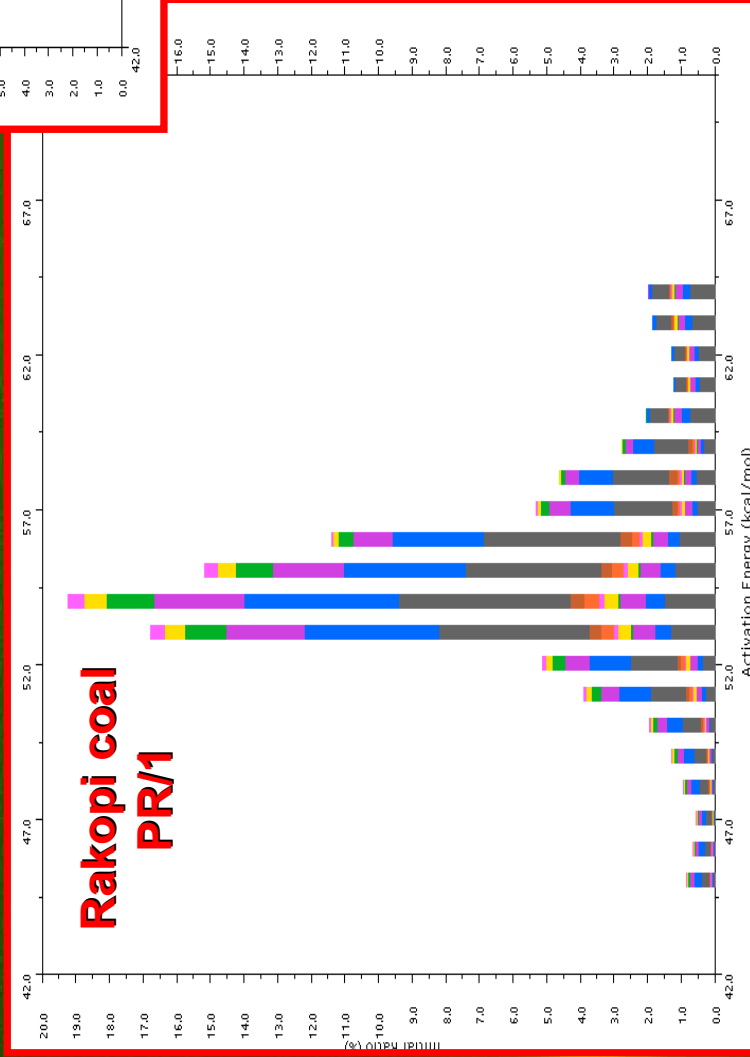
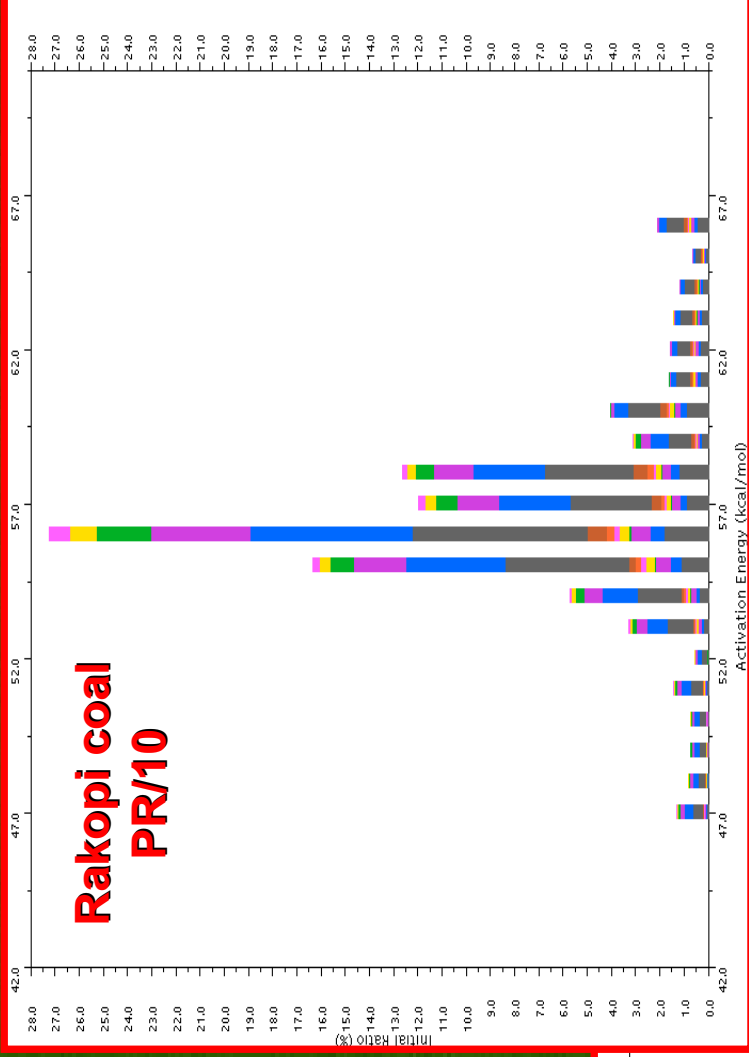
Leaf-rich
Rakopi coal
(PR/10, HI 350)



¹ Developed by IES and GFZ-Potsdam

Hybrid compositional kinetics

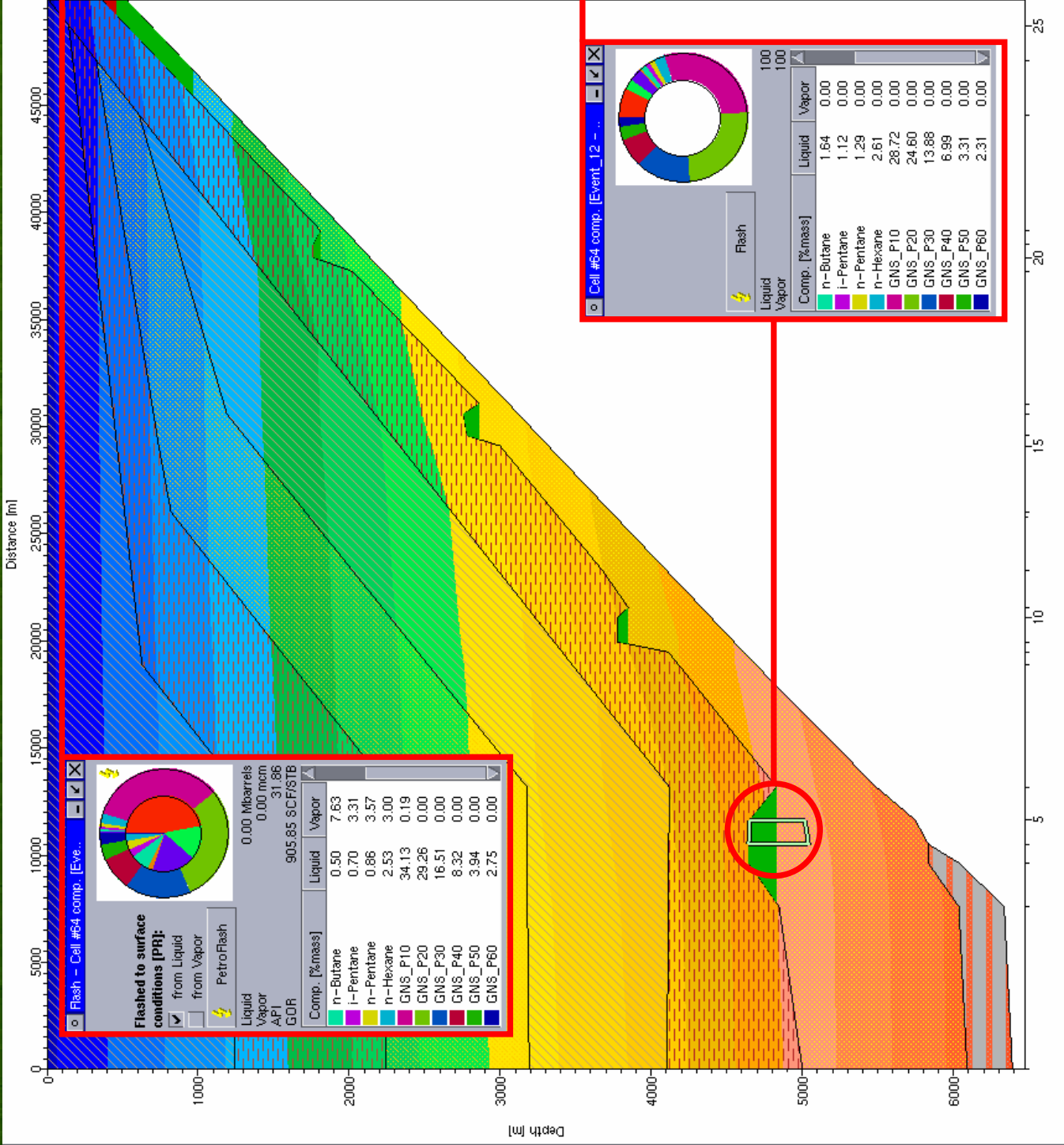
MSSV compositional yields at 5 TRs are assigned to the relevant activation energies determined from bulk kinetics



- C56-80
- C46-55
- C36-45
- C26-35
- C16-25
- C7-15
- n-C6
- n-C5
- i-C5
- n-C4
- i-C4
- n-C3
- n-C2
- n-C1

The 14-component, C₇₊ format enables PVT simulation of petroleum phase and properties

Example of Phase Kinetics output



Two-phase oil and gas compositions at surface conditions, with GOR and API

Undersaturated at oil composition at reservoir PT conditions

Output from IES PetroMod 2D v9.0



6. Conclusions (1)

1. Taranaki and other NZ coaly source rocks comprise a continuum of coaly mudstones, shaly coals and coals, which range from gas-condensate- to waxy, paraffinic oil-prone and all of which contribute to the petroleum potential of kitchen areas.
2. The paraffinic oil potential of NZ coaly facies appears to be controlled primarily by the abundance of leaf-derived liptinites.
3. Thin, planar mire coals and associated coaly mudstones appear to be better sources of waxy crude oil than are thick, raised mire coals owing to greater leaf biomass input and/or preservation potential.
4. Synsedimentary marine influence significantly enhances the total oil potential of coals, but does not have a major effect on waxy, paraffinic oil potential.

6. Conclusions (2)

5. Abundant leaf biomass and strong marine influence may each reduce the temperature thresholds for the onset of oil generation by up to ca. 20°C, resulting in significantly earlier and shallower expulsion of oil and, ultimately, a broader oil window.
6. Oil sweetspots in NZ coaly source rock systems probably coincide with kitchen areas containing abundant thin, leaf-rich and marine-influenced coals and coaly mudstones.
7. Well- and seismic-based sequence stratigraphy should enable mapping of the distribution and source properties (e.g., HI, GOR, kinetics) of coaly facies – and hence the targeting of oil sweetspots – in NZ basins, but only after extensive calibration.
8. Phase Kinetics are a powerful new tool for improved phase prediction, but have yet to be tested in a properly constrained NZ basin model with natural fluid PVT data.