



Carbon Storage and Management

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Carbon, Capture and Sequestration (CCS) Screening for Depleted Clastic Oil and Gas Field in PM3 CAA Block, Malaysia

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Presentation Outline

- Presentation Objective
- Executive Summary
- Field Overview
- Screening Workflow
- Sequestration Scorecard Matrix
- Reservoir Ranking
- Conclusion

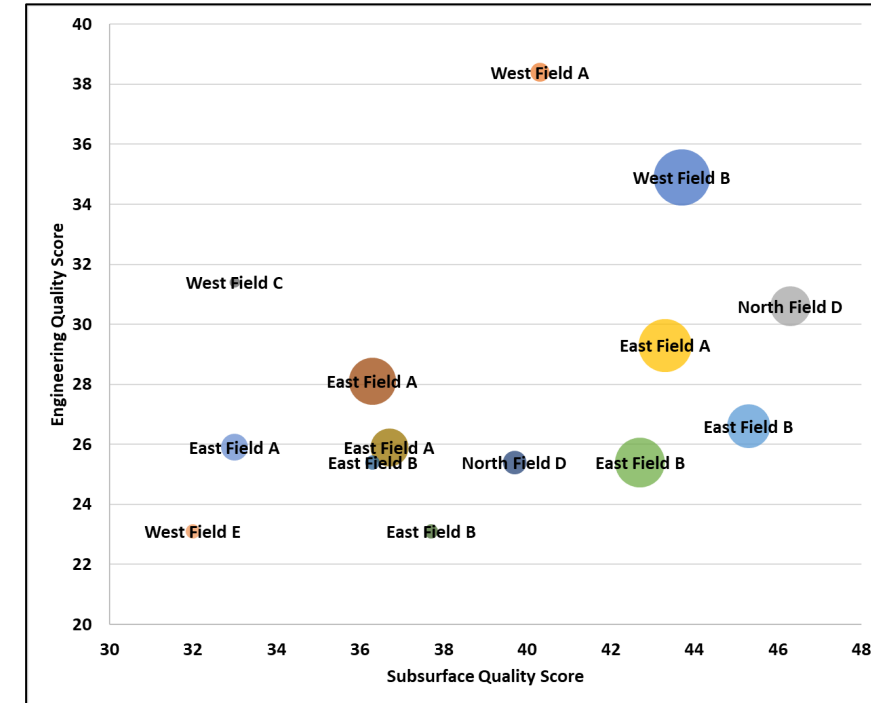


Presentation Objective

To share Hibiscus Malaysia (HM)'s approach **in screening and selecting suitable depleted clastic oil and gas fields** candidates for **CO2 storage** in the PM3 CAA Block **Offshore Peninsular Malaysia**.

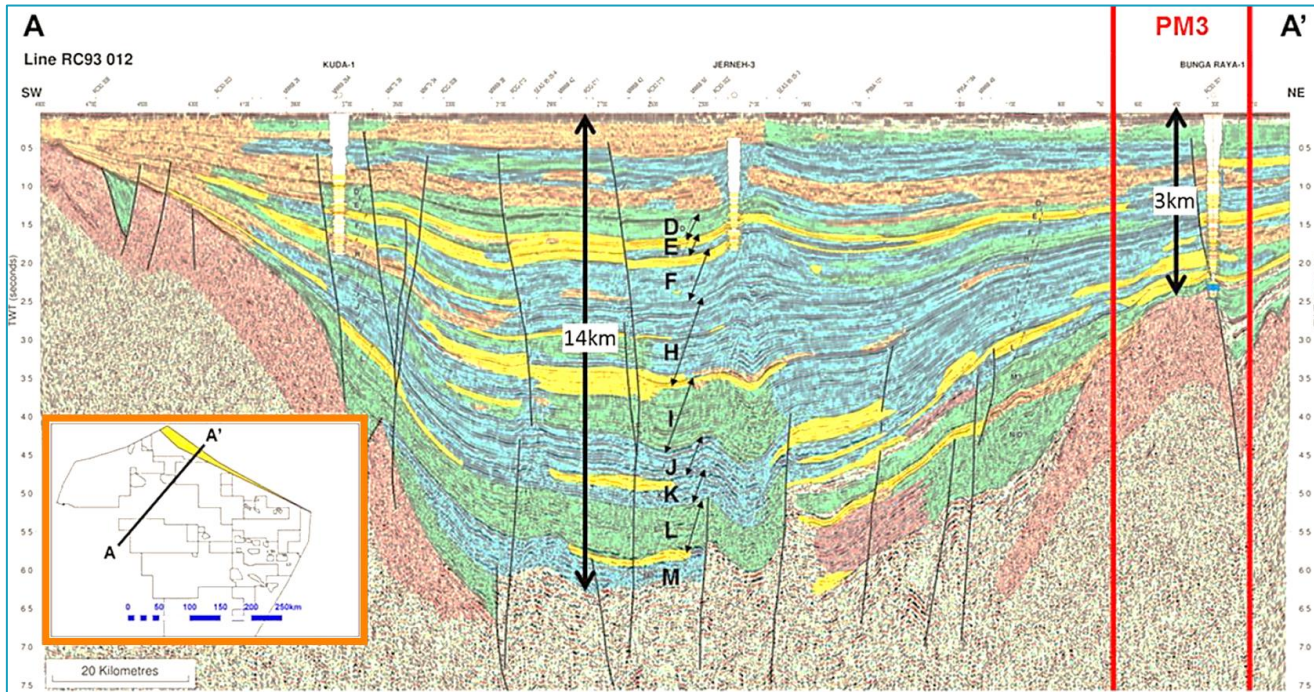
Executive Summary

- PM3-CAA fields vented a total GHG volume of approximately **61.5Bcf and 60.9Bcf in year 2022 and 2023** which at present emits about 200MMscfd with typically about 90% CO₂ and 10% methane
- Therefore, CCS study was initiated to reduce CO₂ emission which will also be aligned with Petronas commitment to reduce carbon emission.
- PM3 CAA CCS **study commenced in April 2023** and was divided into 2 main phases:
 - **Phase-1:** Pre-screening assessment of depleted hydrocarbon reservoirs, wells and topside facilities (Completed)
 - **Phase-2:** Detailed subsurface feasibility and wells studies (On-going)
- Outcome from Phase-1 Study shows that PM3 CAA will have sufficient storage from depleted gas reservoirs to handle current base production and upcoming future projects and tie-ins.
- With the above screening methodology and selection criteria, only 14 depleted gas reservoirs have been selected, with a **total estimated storage capacity of 930 Bscf**
- Collaboration study with our consultant SLB

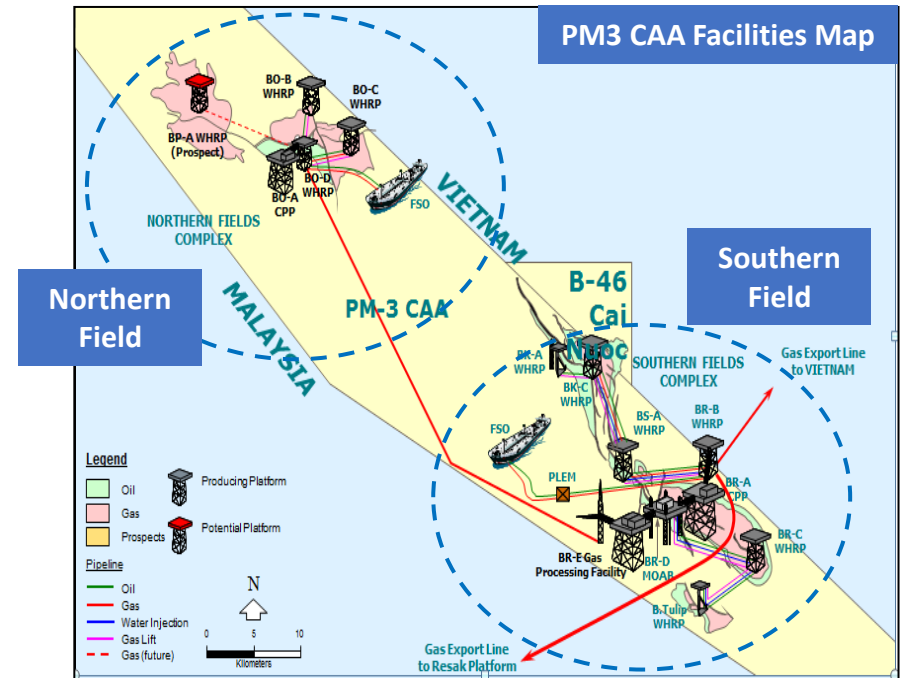


Selected Reservoir Through Phase 1 Screening for CO₂ Sequestration in PM3 CAA

Field Overview PM3 CAA Block



- Located on the N-E margin of the Malay Basin
- Located at the basement high, 3km stratigraphic zones thinning from the center of the basin which is 14km thick



| Northern Field | Southern Field |
|----------------|----------------|
| 6 Fields | 7 Fields |

Screening Workflow

- Subsurface (Containment, Capacity, Injectivity, storage)
- Well integrity (Age, status, idle, well deviation, material, cement)
- Geo-mechanical (Review data, recommendation way forward)



1st Screening
Pre-Screening
(Subsurface)

Results
Pre-Screened
Reservoirs with
Storage Capacity

2nd Screening
Rapid Screening

3rd Screening
Sequestration
Scorecard Matrix

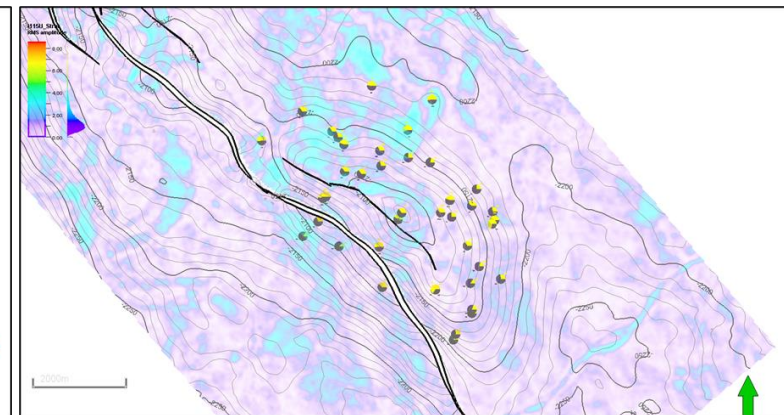
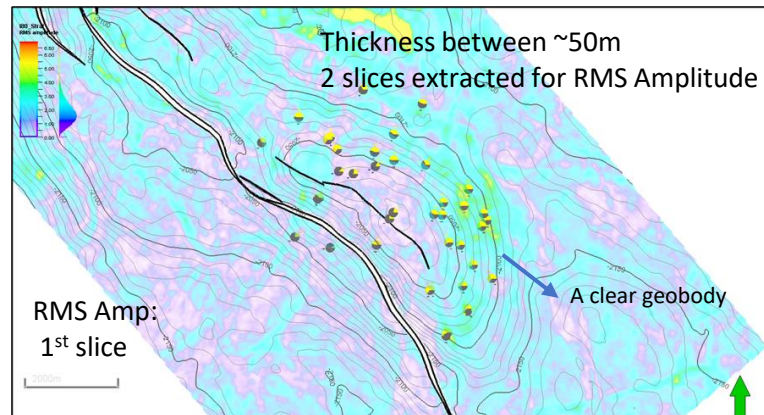
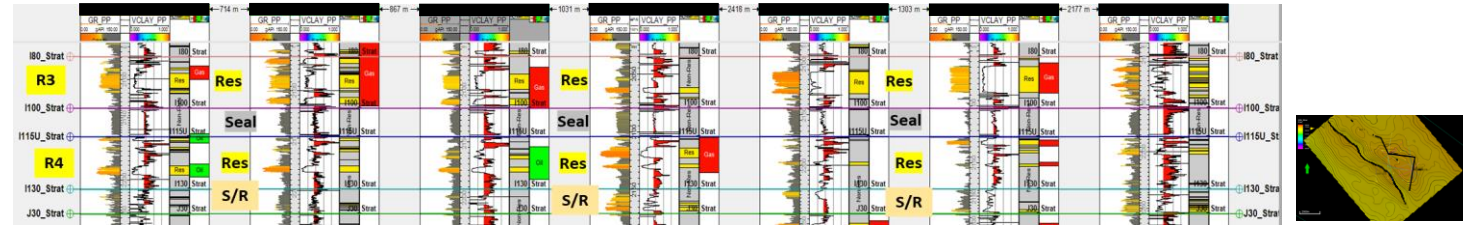
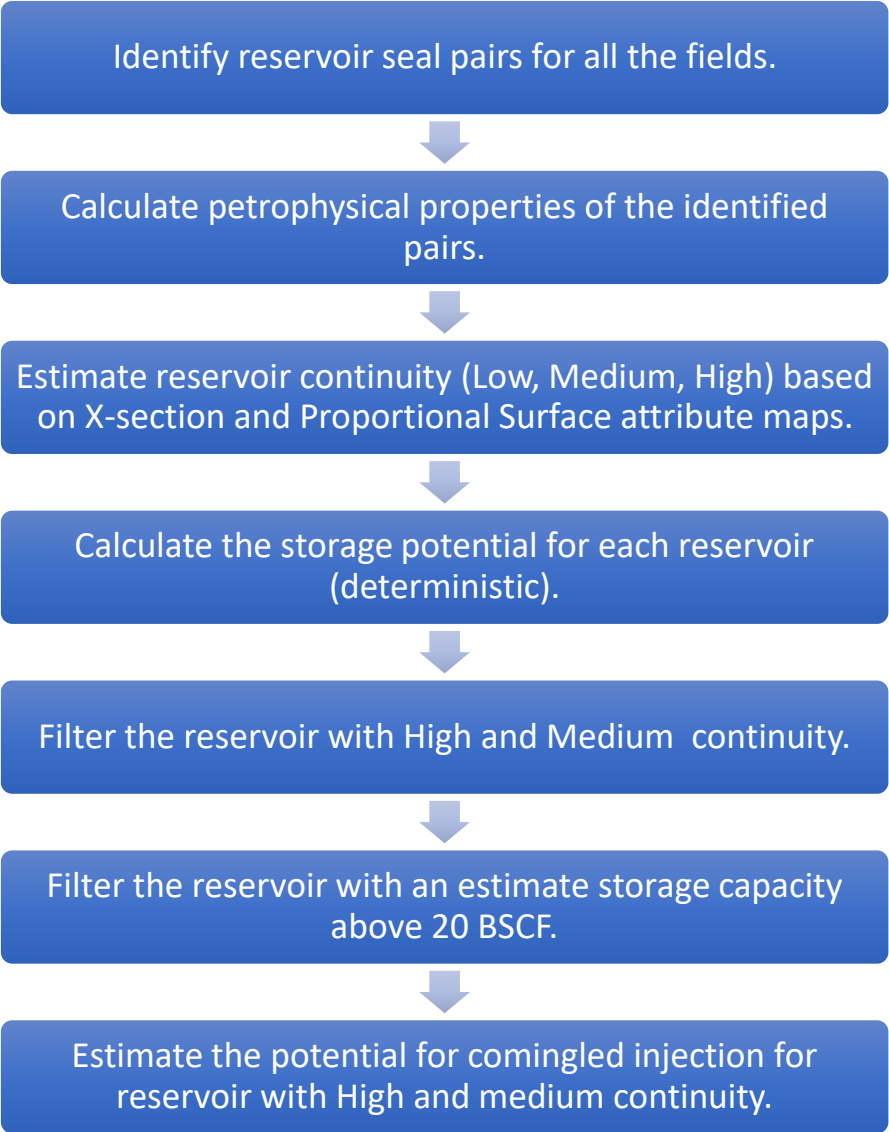
Results
Reservoir Ranking

1. Identify reservoir seal
2. Calculated petrophysical properties
3. Estimate reservoir continuity
4. Calculate the potential storage capacity
5. Filter the reservoir with High and Medium continuity
6. Filter the reservoir with estimate storage capacity >20Bscf
7. Estimate the potential comingle injection for reservoir with High and Medium continuity

- Capacity
- Injectivity
- Containment
- Facility
- Well Integrity



Pre-Screening Workflow



| Reservoir package | Continuity | NTG | Vsh | Porosity | Shortlisted |
|-------------------|------------|------|------|----------|-------------|
| Reservoir 3 | High | 0.38 | 0.15 | 0.2 | Yes |
| Reservoir 4 | Low | 0.21 | 0.16 | 0.17 | No |

Gas Reservoir:

$$G_{CO2} = \frac{G_p B_g}{B_g c_{CO2}}$$

Labels in the diagram: Amount of gas produced (G_p), Gas Formation Volume Factor (B_g), CO₂ storage potential (G_{CO2}), and CO₂ Formation Volume Factor (B_g c_{CO2}).

Oil Reservoir:

$$G_{CO2} = \frac{G_p B_g + N_p (B_o - B_g R_s) + (W_p - W_I) B_w}{B_g c_{CO2}}$$

Labels in the diagram: Amount of Oil produced (G_p), Oil Formation Volume Factor (B_o), Solution GOR (R_s), Water Formation Volume Factor (B_w), Produced Water (W_p), and Injected Water (W_I).

1st Pre-Screening CO₂ Storage Capacity

| No | Field | Sand Package | Platform | Depleted Year | Storage 100% efficiency | (2) Storage 70% efficiency | |
|----|---------------|--------------|------------|---------------|-------------------------|----------------------------|------------|
| | | | | | (Bscf) | (Bscf) | |
| 1 | East Field A | I10U-I25 | Platform 1 | 2009 | 79.1 | 55.4 | |
| 2 | East Field A | I40U-I68 | Platform 1 | 2031/2033 | 140.0 | 98.0 | ~ 100 Bscf |
| 3 | East Field A | I80-I100 | Platform 1 | 2031/2033 | 156.3 | 109.4 | > 100 Bscf |
| 4 | West Field A | I60-I69 | Platform 1 | 2012 | 55.8 | 39.1 | |
| 5 | East Field A | J30-J50 | Platform 1 | 2030 | 111.6 | 78.1 | |
| 6 | East Field B | H2-H3 | Platform 2 | 2013 | 128.9 | 90.2 | |
| 7 | East Field B | H3- H4 | Platform 2 | 2027 | 146.1 | 102.3 | > 100 Bscf |
| 8 | East Field B | I40U-I40L | Platform 2 | 2024 | 42.5 | 29.8 | < 30 Bscf |
| 9 | East Field B | I23U-I30 | Platform 2 | 2012 | 41.5 | 29.0 | < 30 Bscf |
| 10 | West Field B | H4 | Platform 3 | 2029 | 166.4 | 116.5 | > 100 Bscf |
| 11 | West Field C | K5-K15 | Platform 3 | 2028 | 31.8 | 22.2 | < 30 Bscf |
| 12 | North Field D | Fchannel | Platform 4 | 2025 | 116.7 | 81.7 | |
| 13 | North Field D | H-H1 | Platform 4 | 2023 | 70.0 | 49.0 | |
| 14 | West Field E | K5-K15 | Platform 2 | 2035 | 42.4 | 29.7 | < 30 Bscf |
| | | | | TOTAL | 1329.1 | 930.4 | |

(1) Storage capacity of West Field E K5-K15 reservoir is estimated from oil reservoir. Other storage is coming from depleted/almost depleted gas reservoirs

(2) 70% efficiency factor based on widely used in CCS projects

Rapid Screening Workflow

Subsurface

Capacity

Extend of the sand body -> Reservoir properties -> Map based volume estimation calibrated with production data

Containment

Structural complexity -> Number of wells -> Reservoir continuity -> Number of goebodies

Storage & Injectivity

Combination of identified reservoir -> production history and historical performance

Well Integrity

Review of 105 wells for the 14 reservoirs

Well integrity components:

- Well age
- Well status
- Idle well period
- Well deviation
- Casing and tubing material
- Cement material
- Annulus pressure issue

Geomechanical

Review existing available data

Recommendations for additional core test program for legacy cored wells

Sequestration Scorecard Matrix

A scorecard Matrix was developed to rank all reservoirs that has been selected from Pre-Screening phase accordingly. The scoring criteria and its weightage is as per below:

Subsurface Quality Matrix

| Item | Weightage (%) | Criteria |
|-------------|---------------|---|
| Capacity | 20 | <ul style="list-style-type: none"> ➤ Total net thickness ➤ Mean in place volume ➤ Number of reservoir layers ➤ Storage volume estimated ➤ Cum. Gas production ➤ Recovery Factor |
| Injectivity | 20 | <ul style="list-style-type: none"> ➤ Definition of seismic attribute ➤ Reservoir layer continuity ➤ Peak production ➤ Injectivity index estimation ➤ Number of wells |
| Containment | 20 | <ul style="list-style-type: none"> ➤ Gas accumulation ➤ Presence of fault ➤ Number of wells ➤ Top seal average thickness ➤ Top seal continuity ➤ Maximum column height |

Engineering Quality Matrix

| Item | Weightage (%) | Criteria |
|----------------|---------------|--|
| Facility | 20 | <ul style="list-style-type: none"> ➤ Connectivity well to platform ➤ Injection platform ➤ Intraplatform flowing conduit requirement ➤ Topside modification |
| Well Integrity | 20 | <ul style="list-style-type: none"> ➤ Well count ➤ Well age ➤ Idle well ➤ Well head material ➤ Tubing material ➤ Cement material ➤ Production casing material ➤ Well head subsidence/uplift ➤ Well integrity problem |

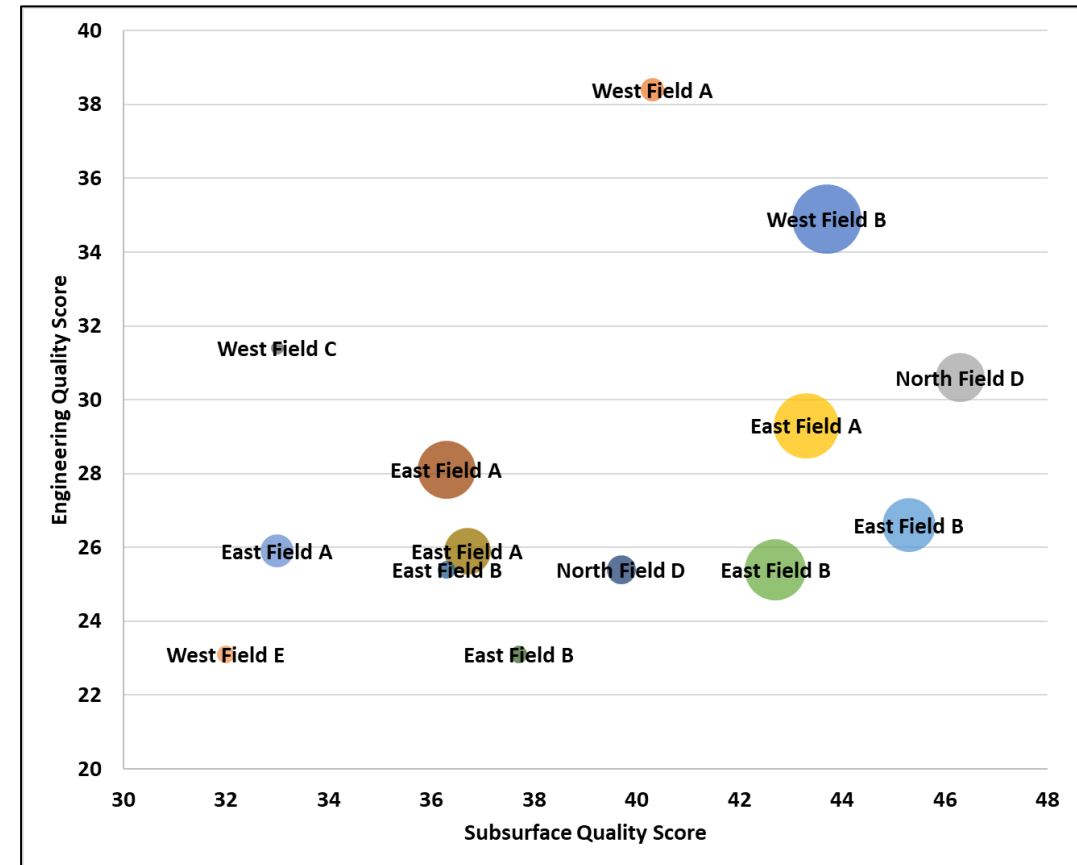
- Each criterion carries a maximum score of 5 points. Scoring type:
 - On scale: 1 (low), 3 (medium) or 5 (high)
- The scoring targets are customized based on the specific status and requirements of the reservoir or field.

Reservoir Ranking

Selection based on below criteria:

- Priority on selection given to BRB and BSA platform mainly due to proximity with existing gas processing facilities.
- Priority given to bigger storage capacity reservoir

| Scorecard Ranking | Reservoir | Platform | Storage Capacity (bcf) | Subsurface Quality Score | Engineering Quality Score | Weighted Score |
|-------------------|---------------|------------|------------------------|--------------------------|---------------------------|----------------|
| 1 | West Field A | Platform 1 | 39.1 | 40.3 | 38.4 | 78.8 |
| 2 | West Field B | Platform 3 | 116.5 | 43.7 | 34.9 | 78.5 |
| 3 | North Field D | Platform 4 | 81.7 | 46.3 | 30.6 | 76.9 |
| 4 | East Field A | Platform 1 | 109.4 | 43.3 | 29.3 | 72.6 |
| 5 | East Field B | Platform 2 | 90.2 | 45.3 | 26.6 | 71.9 |
| 6 | East Field B | Platform 2 | 102.3 | 42.7 | 25.4 | 68.1 |
| 7 | North Field D | Platform 4 | 49.0 | 39.7 | 25.4 | 65.1 |
| 8 | East Field A | Platform 1 | 98.0 | 36.3 | 28.1 | 64.5 |
| 9 | West Field C | Platform 3 | 22.2 | 33.0 | 31.4 | 64.4 |
| 10 | East Field A | Platform 1 | 78.1 | 36.7 | 25.9 | 62.5 |
| 11 | East Field B | Platform 2 | 29.8 | 36.3 | 25.4 | 61.8 |
| 12 | East Field B | Platform 2 | 29.0 | 37.7 | 23.1 | 60.8 |
| 13 | East Field A | Platform 1 | 55.4 | 33.0 | 25.9 | 58.9 |
| 14 | West Field E | Platform 2 | 29.7 | 32.0 | 23.1 | 55.1 |
| | TOTAL | | 930.4 | | | |



- Highlighted above is the reservoir chosen to undergoes Phase-2 detailed subsurface feasibility studies
- **Subsurface Quality:** Score is referring to Storage Capacity, Injectivity and containment (max: 60)
- **Engineering Quality:** Score is referring to Facility and Well Integrity Scoring (max: 40)

Conclusion

- HM & SLB **developed a fit for purposed screening criteria** for selecting CO2 storage sites by utilizing depleted oil and gas fields within the PM3 CAA block.
- This approach has been crucial in identifying optimal storage locations for the project to continue with Phase 2 feasibility study.

Acknowledgement

Thank you to both the HM and SLB teams for their collaboration on the CCS Study Phase 1.

The joint efforts have been instrumental in making this project a success.