

HALLIBURTON

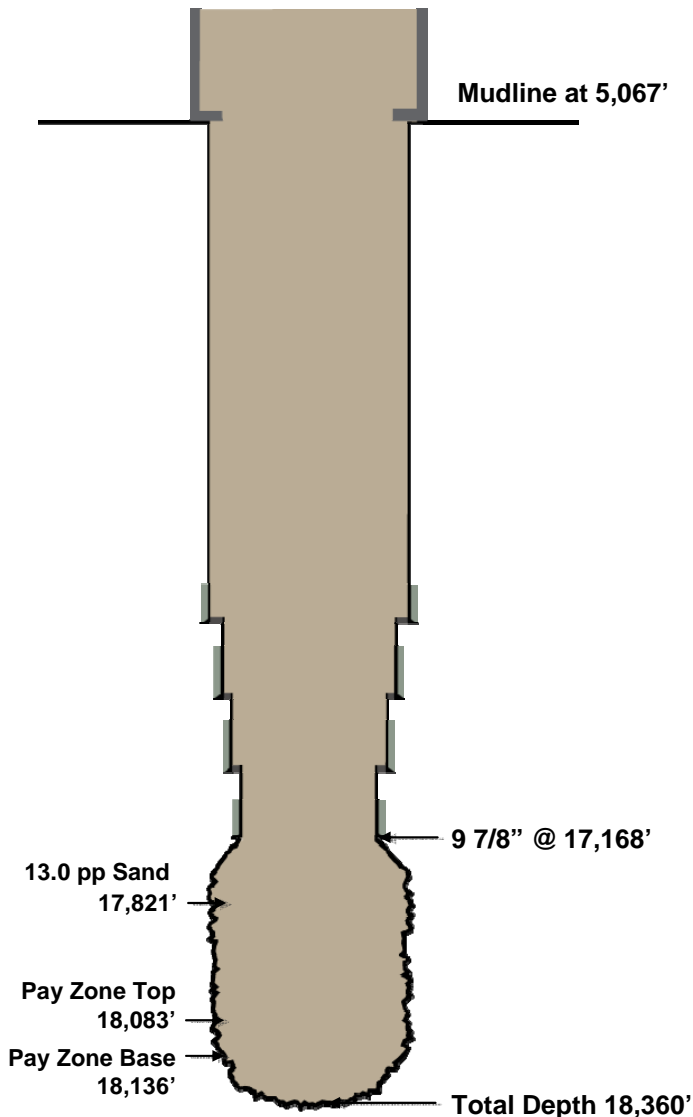
Energy and Commerce Committee Staff Briefing

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June 03, 2010

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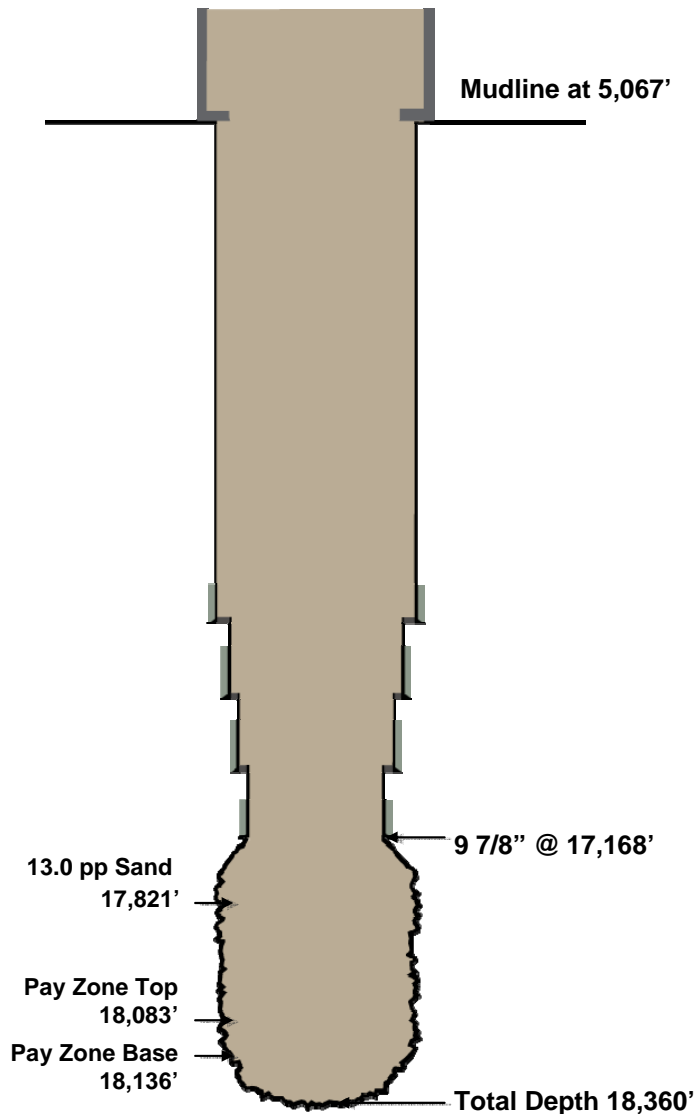
Mississippi Canyon Block 252 Well # 1-01



“Given geologic and mechanical conditions”:

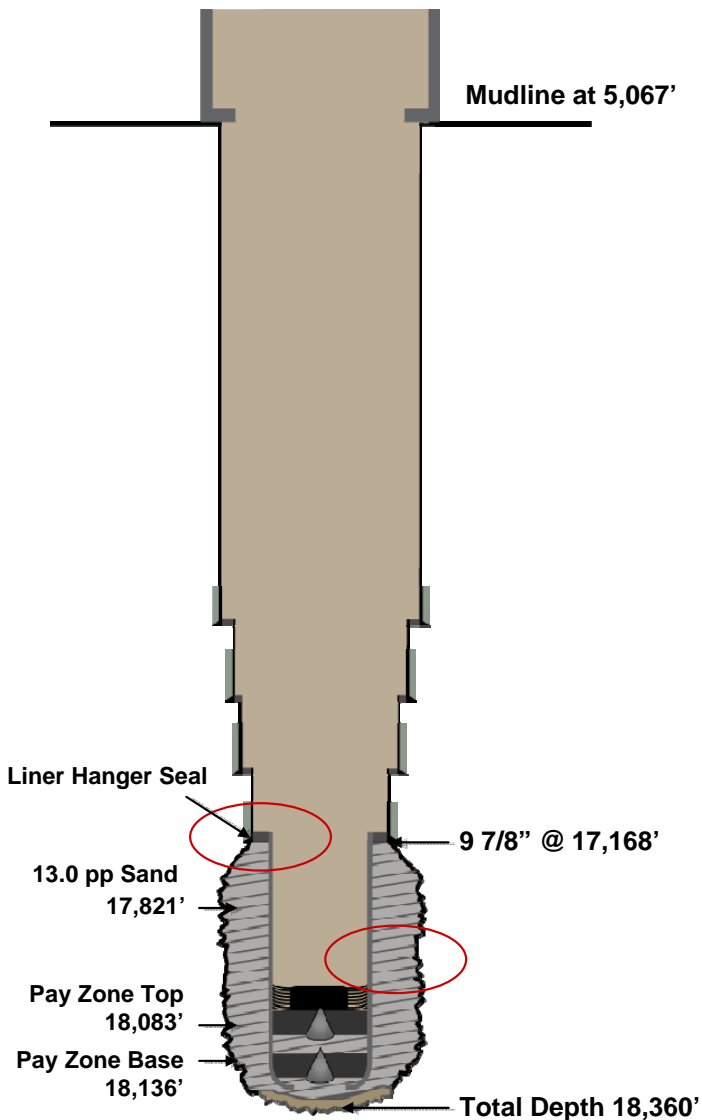
- 9-7/8” liner set 17,168 ft.
- Hole section drilled with 8-1/2” bit to 18,360 ft.
 - Caliper hole size range to 11.6”
- 14.0 ppg mud weight
 - Sand #1: 17,821 ft.
 - 13.0 ppg pore pressure
 - Pay Zone: 18083 ft to 18,136 ft.
 - 12.6 ppg pore pressure
- Loss Circulation events below casing shoe
- 210° F. Bottom Hole Static Temperature
 - Concerns of Annular Pressure Buildup during production

Liner/Tieback or Casing?

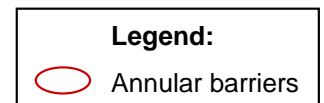


- **MMS: 250.421** What are the casing and cementing requirements
 - Production Casing
 - Design casing and select setting depth based on anticipated or encountered geologic characteristics or wellbore conditions
 - Use enough cement to cover or isolate all hydrocarbon bearing zones above the shoe.
 - As a minimum, you must cement the annular spacer 500 feet above the uppermost hydrocarbon-bearing zone.
- **Well Control:** “Maintain multiple effective barriers at all times”
 - Dr. F.E. Beck, Texas A&M University
 - May 11, 2010 – U.S. Senate Committee on Energy and Natural Resources

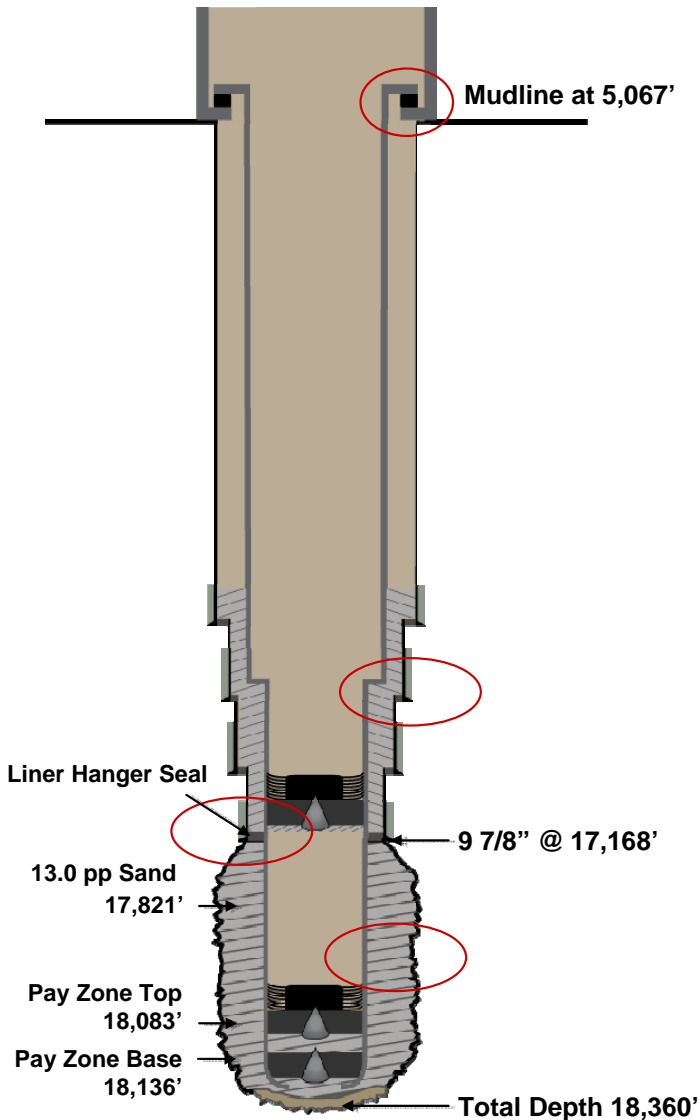
Liner



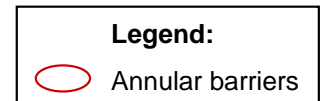
- **Challenge:** Open hole primary cement placement
 - The “given geologic and mechanical conditions” limit the techniques available for effective cement placement.
 - Primary cement sheath should be evaluated after placement
 - Remediate (squeeze cement) as required
- **Advantage:** Liner hanger seal assembly provides a mechanical barrier
- Liner provides two barriers to annular flow



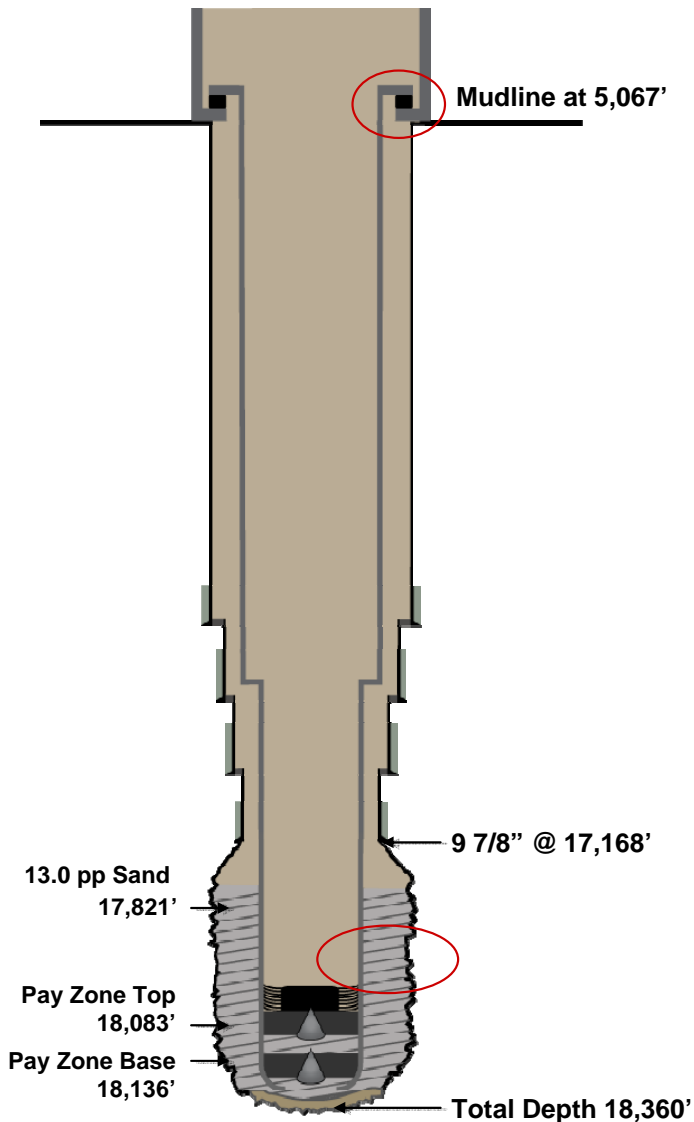
Liner/Tieback



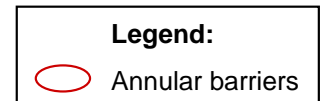
- **Advantage:** Cased hole primary cement placement
 - Open hole geologic conditions limiting techniques for effective cementing placement are eliminated
 - Liner hanger seal isolates open hole below
 - Tieback cementing provides an effective method to place cement in casing by casing annulus
 - Tieback cementing provides enhanced opportunity for effective barrier placement
- Liner/Tieback provides four barriers to annular flow



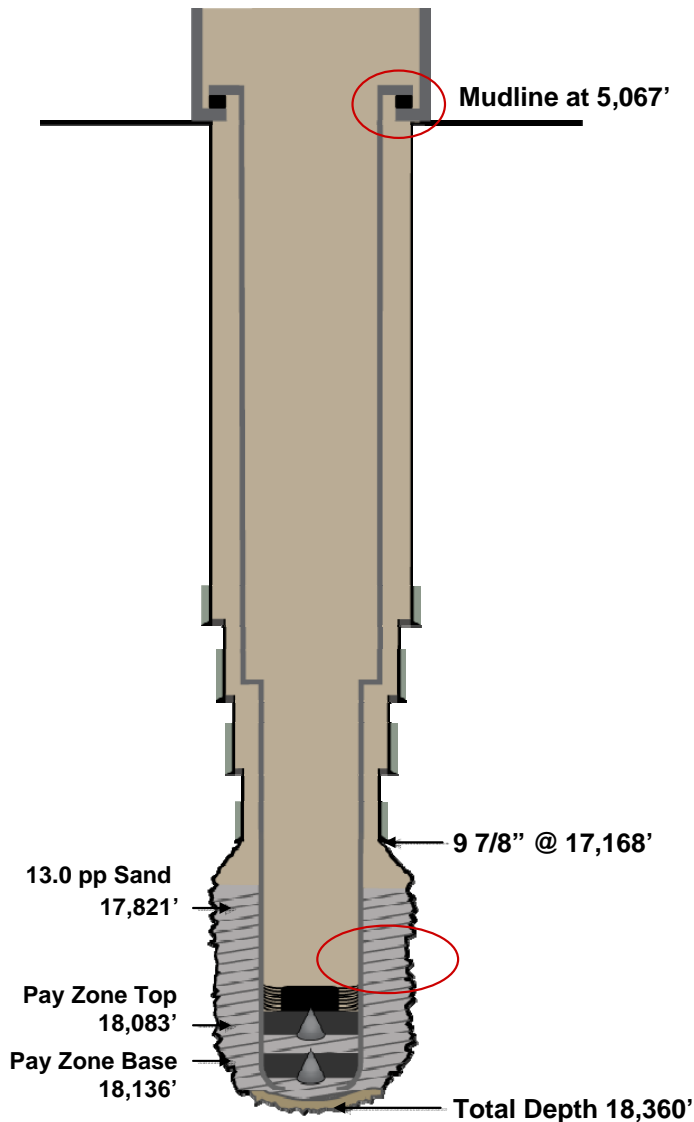
Full String Casing



- **Challenge:** Open hole primary cement placement
 - The “given geologic and mechanical conditions” limit the techniques available for effective cement placement
 - Primary cement sheath should be evaluated after placement
 - Remediate (squeeze cement) as required
- Full String Casing provides two barriers to annular flow



Regulatory Requirement for Cementing Evaluation

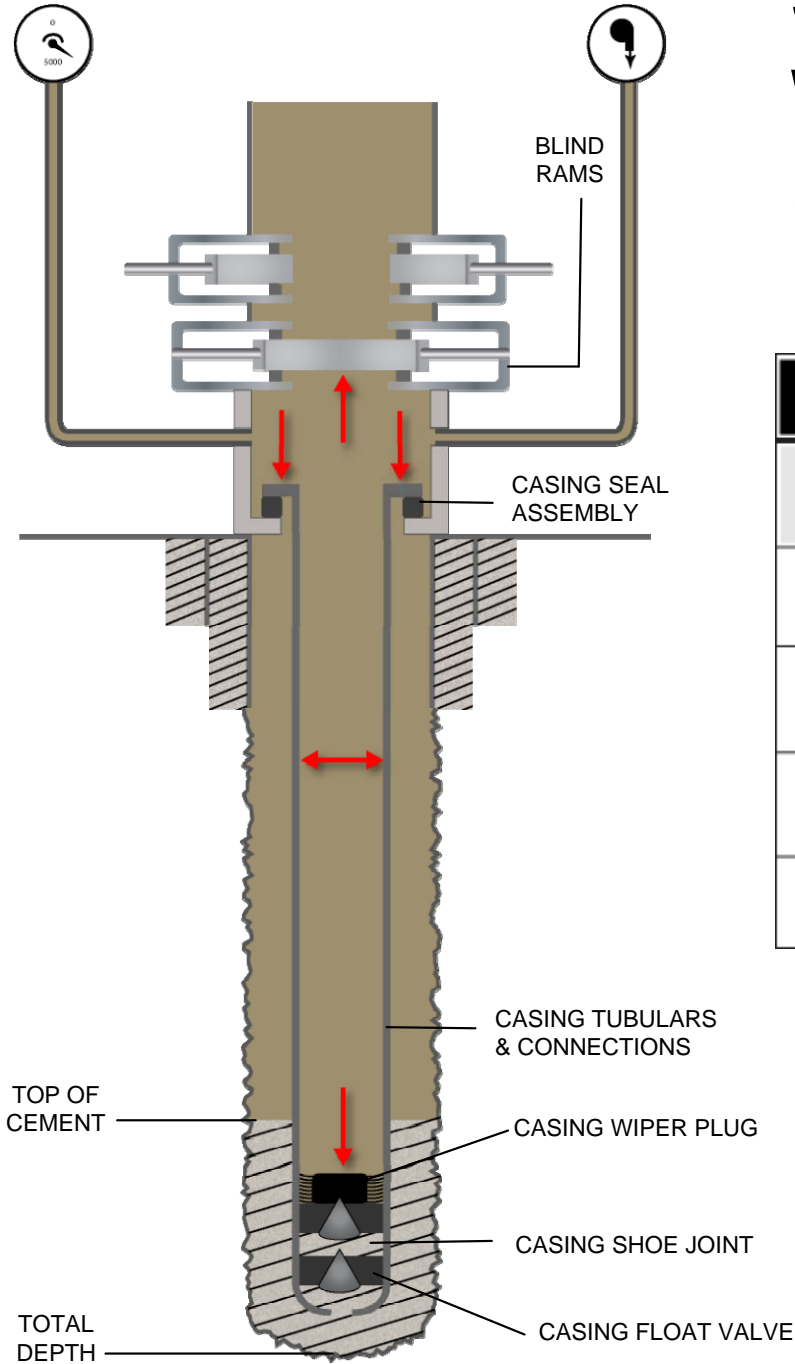


- **MMS: 250.428** What must I do in certain cementing and casing situations?
 - If you encounter the following situation:
 - Have indication of inadequate cement (such as lost returns, cement channeling, or failure of equipment)
 - Then you must:
 - Pressure test the casing shoe
 - Run a temperature survey
 - Run a cement bond log
 - Or use a combination of these techniques

Legend:
○ Annular barriers

GAUGE

PUMP



Systems Integrity Test With Positive Pressure

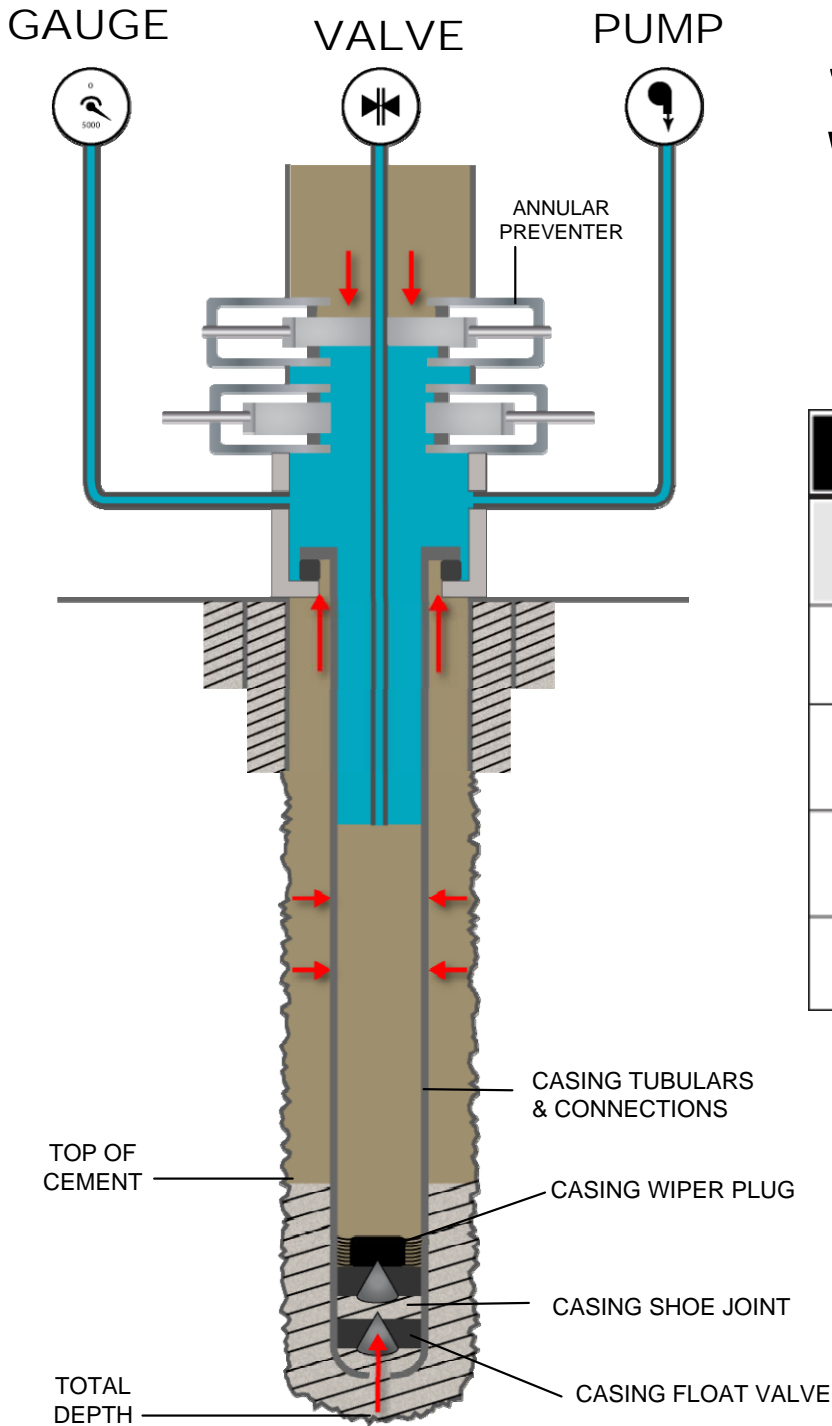
A successful test is realized when pressure is applied, and no loss of pressure is observed over a several minute time period.

POSITIVE PRESSURE TEST

INDICATION OF FAILED TEST	POTENTIAL ISSUES	REMEDIATION
PRESSURE DECREASE	BLIND RAMS	REPAIR B.O.P.
PRESSURE DECREASE	CASING SEAL ASSEMBLY	REPLACE SEAL ASSEMBLY
PRESSURE DECREASE	CASING TUBULARS & CONNECTIONS	CASING PATCH
PRESSURE DECREASE	CASING WIPER PLUG/ SHOE JOINT	SQUEEZE CEMENT

Legend

	: Applied Pressure
	: Mud
	: Cement



Systems Integrity Test With Negative Pressure

A successful test is realized when an applied differential pressure is released, and no flow is observed from the system.

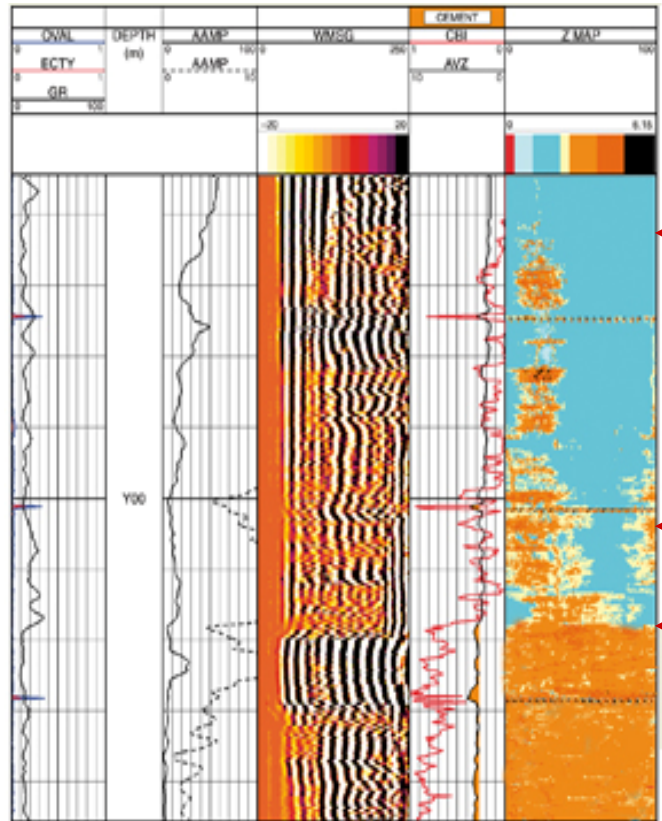
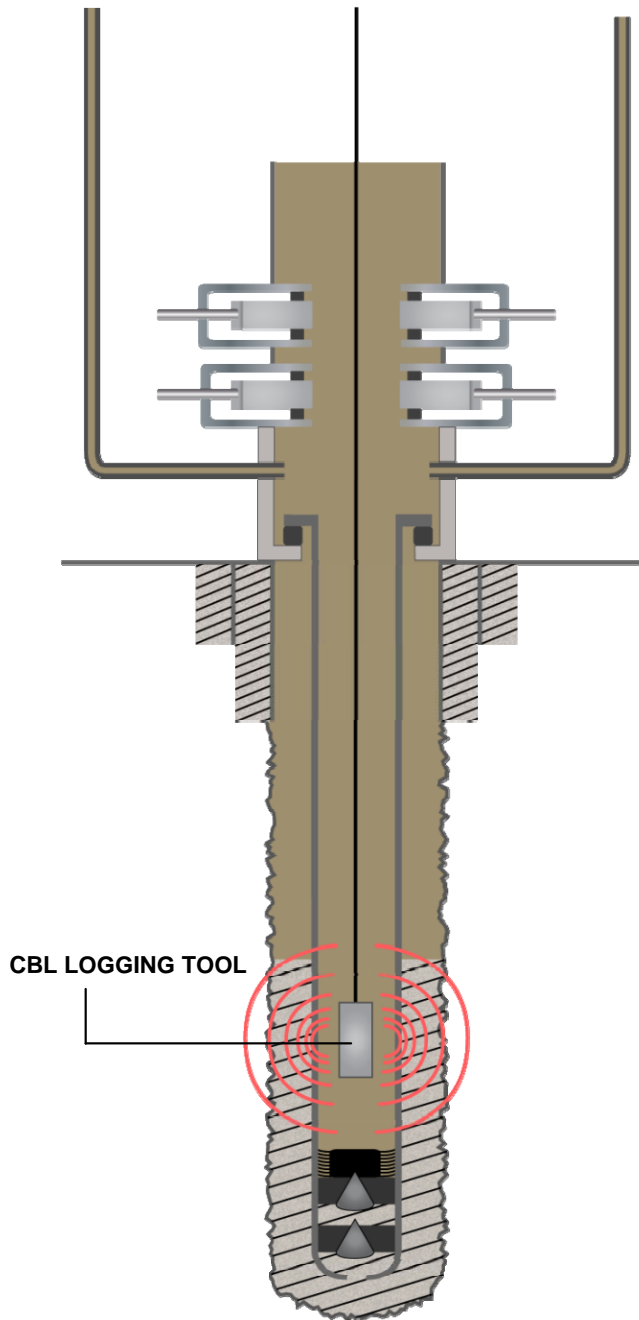
NEGATIVE PRESSURE TEST		
INDICATION OF FAILED TEST	POTENTIAL ISSUES	REMEDICATION
POSITIVE PRESSURE AND FLOW	ANNULAR PREVENTER	REPAIR B.O.P.
POSITIVE PRESSURE AND FLOW	CASING SEAL ASSEMBLY	REPLACE SEAL ASSEMBLY
POSITIVE PRESSURE AND FLOW	CASING TUBULARS & CONNECTIONS	CASING PATCH
POSITIVE PRESSURE AND FLOW	CASING FLOAT VALVES/SHOE JOINT	SQUEEZE CEMENT

Legend

	: Applied Pressure
	: Sea Water
	: Mud
	: Cement

Cement Evaluation

Cement Bond Logs

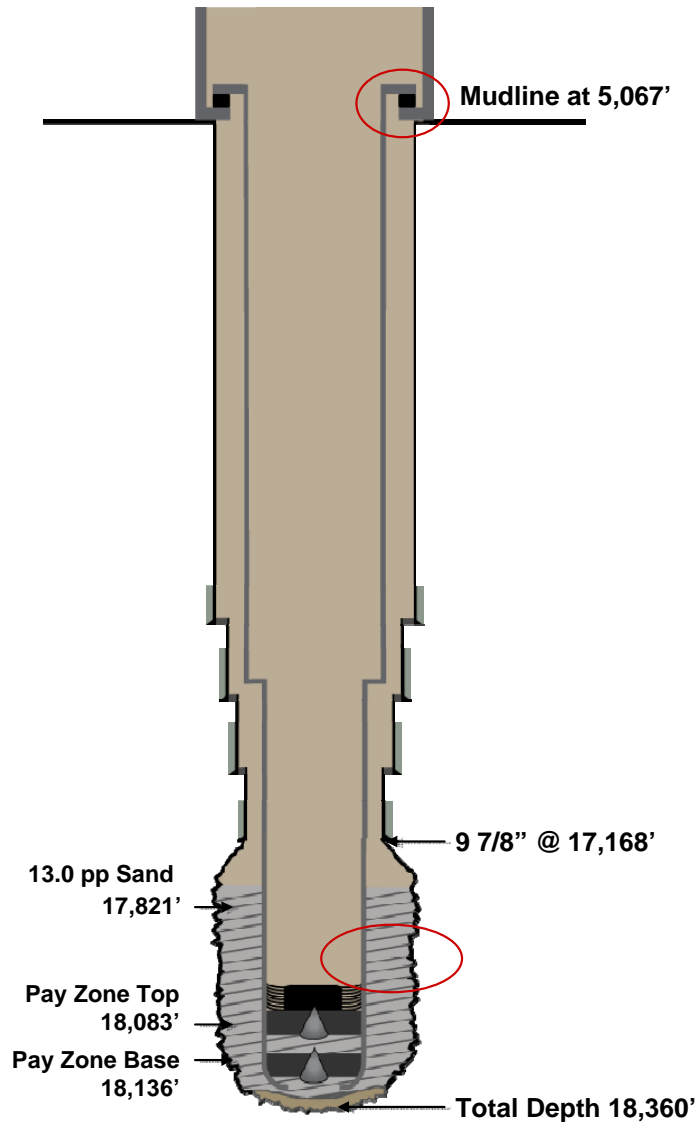


← No Cement Bond

← Channel in Cement

← Top of Cement

Summary



- Full String Casing provides two barriers to annular flow
- Liner/Tieback Casing provides advantage over full string casing with redundant barriers to annular flow
- If the cement is to be relied upon as an effective barrier, the well owner must perform a cement evaluation as part of a comprehensive systems integrity test

Appendix

