

Public Executive Summary

Title: Early Reservoir Appraisal, Utilizing a Well Testing System

Name of Offeror: Nautilus International, LLC

Project Director/Principal Investigator: Keith Millheim

Additional participants: Knowledge Reservoir, LLC; Expro International Group Ltd.; General Marine Contractors LLC; INTECSEA WorleyParsons Group; Louisiana State University; The University of Tulsa; Texas A&M University; GE Oil & Gas; Tidewater Marine, LLC; Huisman.

Solicitation Number: RFP2008DW2501 (08121-2501-02)

Project Start Date: October 20, 2009

Project End Date: March 31, 2011

Total Estimated Cost:	\$ 1,025,000.00
RPSEA Maximum Share:	\$ 809,750.00
Nautilus International Cost Share:	\$ 205,000.00

Deepwater well testing in the Gulf of Mexico (GOM) is not adequate, primarily due to the high cost of conventional equipment. Appropriate low-cost deepwater well production testing systems would provide incentives to perform early longer term well tests to help define reservoir characteristics, economics, and field management. Well testing for the deep water GOM could be the major enabler to prove up billions of barrels of oil equivalent. Recent discoveries in the deep water GOM imply massive accumulations of oil, in the billions of barrels, and possibly multi-TCF of gas. To ascertain the oil or gas in place, production potential, and ultimate recovery factors requires more than electric logs, cores, 3-D seismic, and MDTs. Because of the high cost and extended times to drill these deep water wells, the appraisal well concept to prove commerciality is usually not economically viable for many parts of the GOM.

Nautilus International, LLC has assembled a world class team of experts committed to meeting the objectives of the Request for Proposal (RFP). The project team includes Knowledge Reservoir LLC, Expro, General Marine Contractors, Louisiana State University, Texas A&M, University of Tulsa and INTECSEA WorleyParsons Group. The project will work with and utilize a steering committee that includes GE Oil & Gas, Tidewater and deepwater operators to determine the market needs of vessels, equipment, and services for deep water well testing. The project team will evaluate the various GOM deepwater reservoirs to identify the facility design criteria required for deepwater well testing systems, and will conduct a thorough analysis of various well testing systems.

Key deliverables include comprehensive reports on this study, a database of related information, and a custom software program that operators can use to evaluate testing alternatives for specific wells.

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