

West Central AB: Falher Channel



Summary

The Falher "stacked channel" sands are thick and prone to permeability streaks, which can be more easily "tapped into" by horizontal drilling. Stacked channels with 18m plus pay, OGIP ~ 12.5 bcf/section and NGL yield ~ 40 bbls/mmscf in the region. Coal beds within the section suggest a continental to deltaic environment of deposition. The sequence is complex, and sands are subject to rapid changes laterally, reflective of the transient nature of a fluvial-deltaic system.

Play Synopsis

Fluid	Gas
Pay Thickness	8m to 11m
Rf(Primary)	70%
Fm. Temp.	55°C to 60°C
Active operators	Bonavista, NAL
Completions	Multi-stage Fracturing
Depth	1690m to 1700m
Lithology	Sand/Silts
Average Porosity	14%
Water Saturation	15%
Type Well EUR	391 mboe
Type Well IP90	729 boed

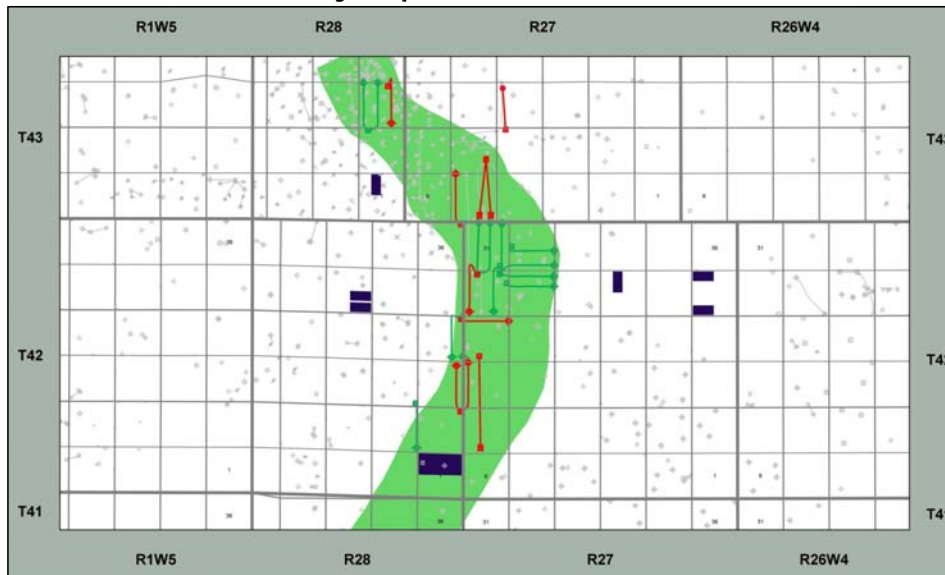
Capital Costs

DCE&(SWB): \$2625M

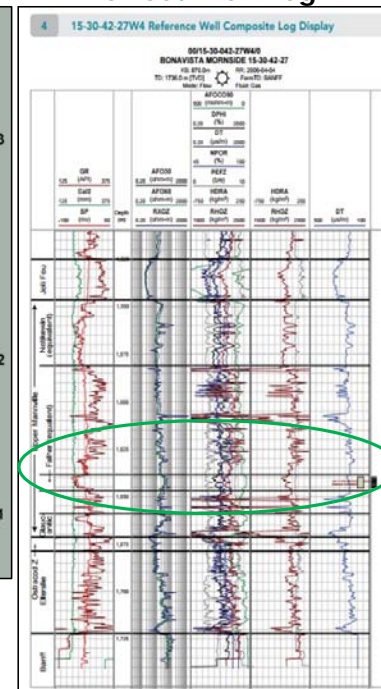
With 20% Lessor Royalty

IRR BT: 41%
 Payout: 1.9 years
 F&D: \$6.71/boe
 Netback (IP 90): \$14.43/boe
 Recycle Ratio: 2.2

Falher Channel Fairway Map



Offset Well Log



Type Curve Analysis

