

A Review of Coalbed Methane Operational Issues in the Cherokee Basin, Kansas and Oklahoma - A Case Study

John Coates¹ (1) Patrick Petroleum, Tulsa, OK

Commercial coalbed methane (CBM) projects require the successful integration of a number of disciplines, including but not limited to geology, engineering, land, gas marketing and the regulatory environment. This talk reviews Mid-Continent examples of how any one of the disciplines can make or break a CBM project. As CBM activity grows in the Mid-Continent, operators are experiencing new challenges not seen in other CBM basins around the country. A few examples to be discussed include: 1) Thin bed completions of very high permeability coal; 2) Oil, wax and paraffin production in conjunction with gas and water; 3) Fracture stimulation programs in areas of many old unplugged wells; and 4) Experienced and divided mineral ownership.

In addition to the challenges, the Mid-Continent offers tremendous potential for CBM operators. The examples to be discussed include: 1) High rank gassy coals with good permeability; 2) Abundant service company infrastructure; 3) Oil and gas knowledgeable regulatory environment; and 4) Excellent gas markets and gas infrastructure. All of these factors combine to determine the economic success of a CBM project.