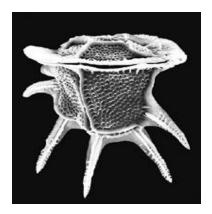
#### Oil and Gas

### Musabekova S. мнхтов-18-2











#### Talk outline



Part 1: Origin – How do oil and gas form?

Practical: Non-Renewable Energy



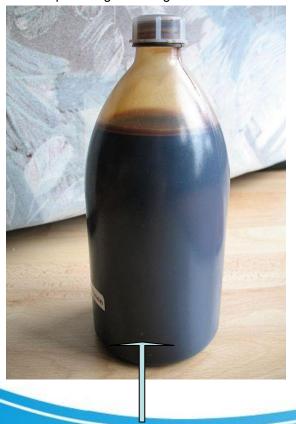
Part 2: Exploration and Production – How do we find oil and gas and how is it produced? Practical: Prospector Game



Part 3: Politics – Why are oil and gas important?

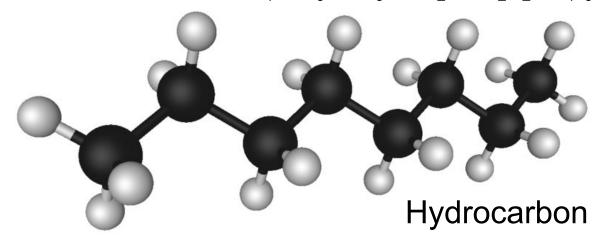
### Origin (1): Chemistry

en.wikipedia.org/wiki/Image:Petroleum.JPG



Crude Oil

en.wikipedia.org/wiki/Image:Octane\_molecule\_3D\_model.png

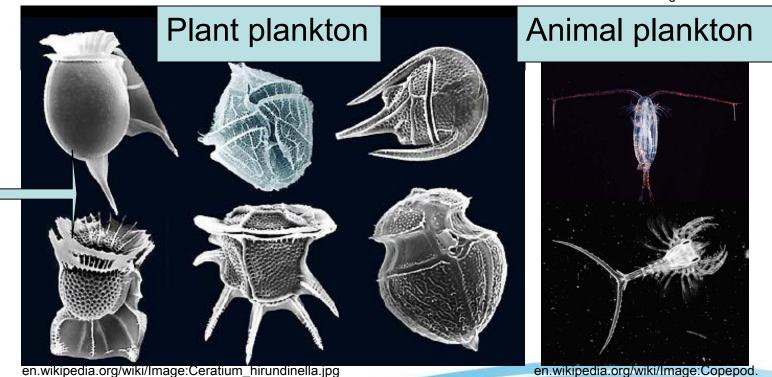


- Oil and gas are made of a mixture of different hydrocarbons.
- As the name suggests these are large molecules made up of hydrogen atoms attached to a backbone of carbon.

### Origin (2): Plankton

cache.eb.com/eb/image?id=93510

10,000 of these bugs would fit on a pinhead!



 Most oil and gas starts life as microscopic plants and animals that live in the ocean.

### Origin (3): Blooms

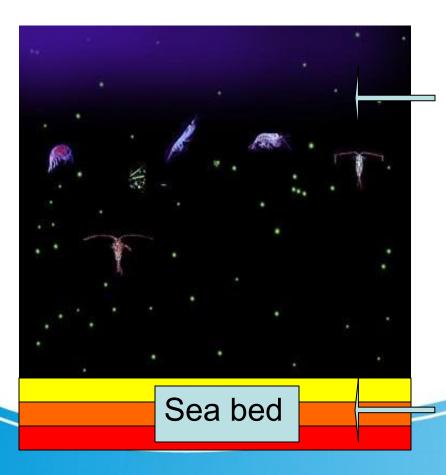
serc.carleton.edu/images/microbelife/topics/red\_tide\_genera.v3.jpg



- Today, most plankton can be found where deep ocean currents rise to the surface
- This upwelling water is rich in nutrients and causes the plankton to bloom
- Blooms of certain plankton called dinoflagellates may give the water a red tinge

Dinoflagellate bloom

### Origin (4): On the sea bed



When the plankton dies it rains down on sea bed to form an organic mush



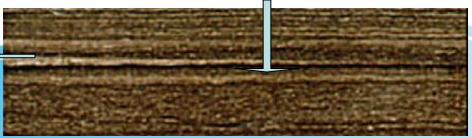
If there are any animals on the sea bed these will feed on the organic particles

### Origin (5): Black Shale

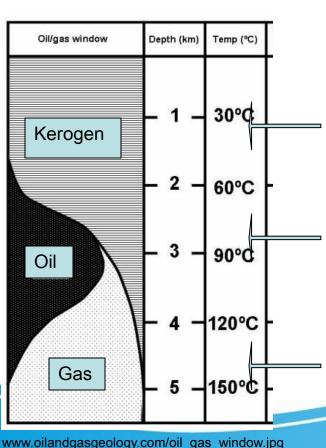
upload.wikimedia.org/wikipedia/en/0/04/Plankton.jpg



- However, if there is little or no oxygen in the water then animals can't survive and the organic mush accumulates
- Where sediment contains more than 5% organic matter, it eventually forms a rock known as a Black Shale



### Origin (6): Cooking



As Black Shale is buried, it is heated.

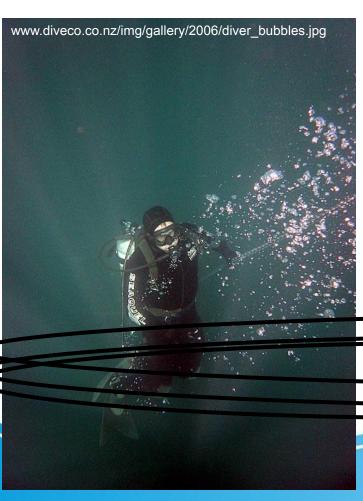
Organic matter is first changed by the increase in temperature into kerogen, which is a solid form of hydrocarbon

Around 90°C, it is changed into a liquid state, which we call oil

Around 150°C, it is changed into a gas

A rock that has produced oil and gas in this way is known as a Source Rock

### Origin (7): Migration



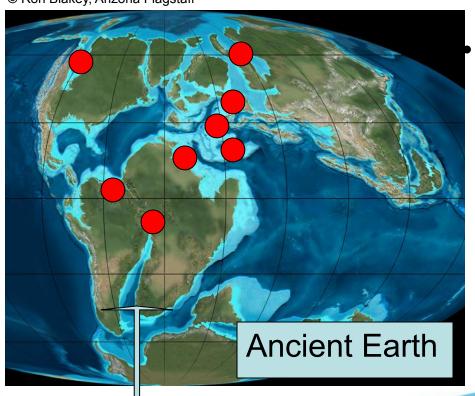
- Hot oil and gas is less dense than the source rock in which it occurs
- Oil and gas migrate upwards up through the rock in much the same way that the air bubbles of an underwater diver rise to the surface

Rising oil

 The rising oil and gas eventually gets trapped in pockets in the rock called reservoirs

### Origin (8): Ancient Earth

© Ron Blakey, Arizona Flagstaff



During mid-Mesozoic times around 150 million years ago, conditions were just right to build up huge thicknesses of Black Shale source rocks

The world's main oil deposits all formed in warm shallow seas where plankton bloomed but bottom waters were deoxygenated

### Origin (9): Source of North Sea Oil



The Kimmeridge Clay is a Black Shale with up to 50% organic matter. It is the main source rock for the North Sea Oil & Gas Province

#### **Practical Exercise 1**

#### Renewable versus Non-Renewable Energy



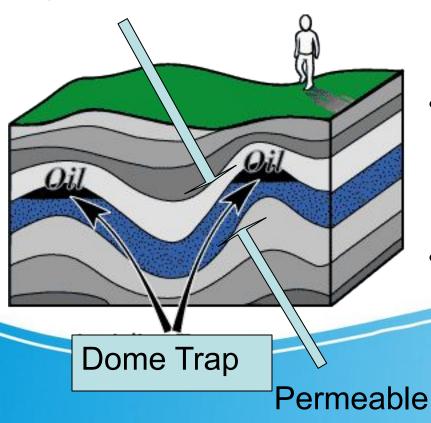
en.wikipedia.org/wiki/Image:Windpark\_Galicia.jpg



en.wikipedia.org/wiki/Image:Oil\_platform.jpg

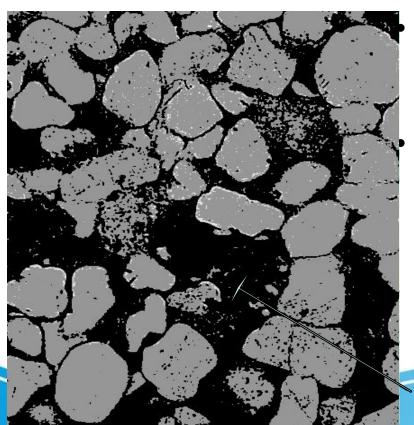
### Exploration and Production (1): Oil Traps

#### Impermeable



- Some rocks are permeable and allow oil and gas to freely pass through them
- Other rocks are impermeable and block the upward passage of oil and gas
- Where oil and gas rises up into a dome (or anticline) capped by impermeable rocks it can't escape. This is one type of an Oil Trap.

### Exploration and Production (2): Reservoir Rocks



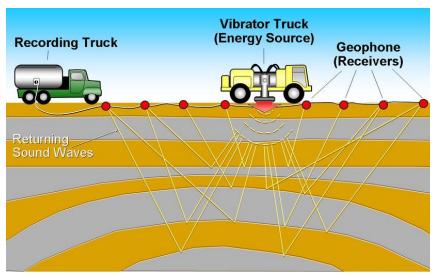
Earth Science World Image Bank Image #h5innl

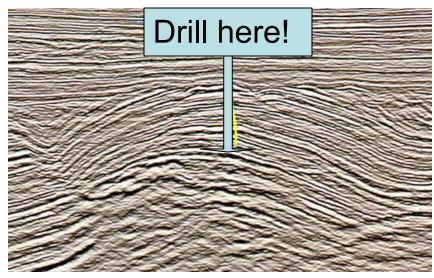
The permeable strata in an oil trap is known as the Reservoir Rock

Reservoir rocks have lots of interconnected holes called pores. These absorb the oil and gas like a sponge

As oil migrates it fills up the pores (oil-filled pores shown in black)

# Exploration and Production (3): Seismic Surveys





Earth Science World Image Bank Image #h5inor

Earth Science World Image Bank Image #h5inpj

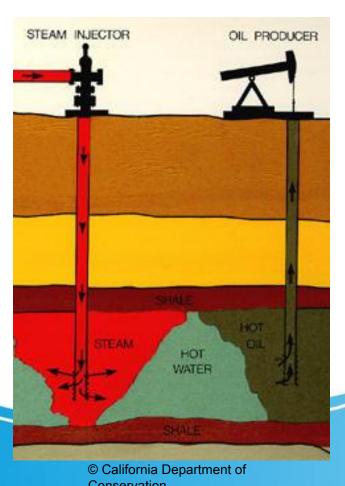
- Seismic surveys are used to locate likely rock structures underground in which oil and gas might be found
- Shock waves are fired into the ground. These bounce off layers
  of rock and reveal any structural domes that might contain oil

### Exploration and Production (4): Drilling the well



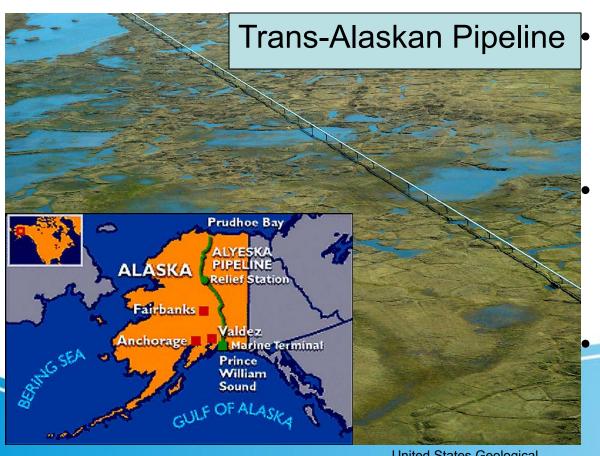
- Once an oil or gas prospect has been identified, a hole is drilled to assess the potential
- The cost of drilling is very great.
   On an offshore rig, it may cost \$10,000 for each metre drilled.
- A company incurs vast losses for every "dry hole" drilled

# Exploration and Production (5): Enhanced Recovery



- Although oil and gas are less dense than water and naturally rise up a well to the surface, in reality only 40-50% of the total will do so.
- To enhance recovery, a hole is drilled adjacent to the well and steam is pumped down. The hot water helps to push the oil out of the rock and up into the well.

### Exploration and Production (6): Transport



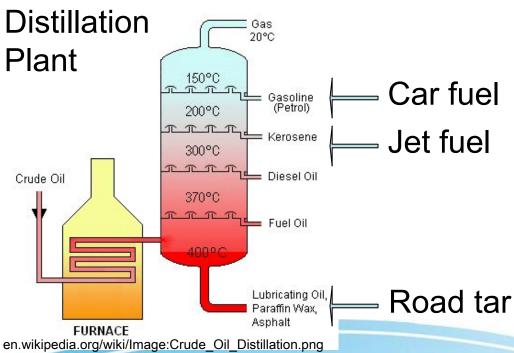
- Once extracted oil and gas must be sent to a refinery for processing
- Pipelines transport most of the world's oil from well to refinery
- Massive Oil Tankers

   also play an important
   role in distribution

United States Geological Survey

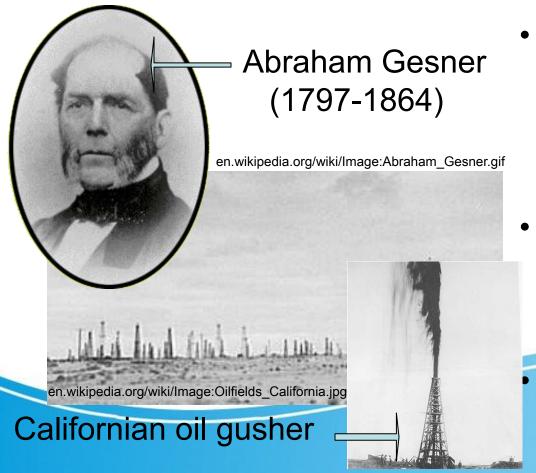
# Exploration and Production (7): At the Refinery





- Before it can be used crude oil must be refined.
- Hydrocarbons can be separated using distillation, which produces different fractions (or types) of oil and gas

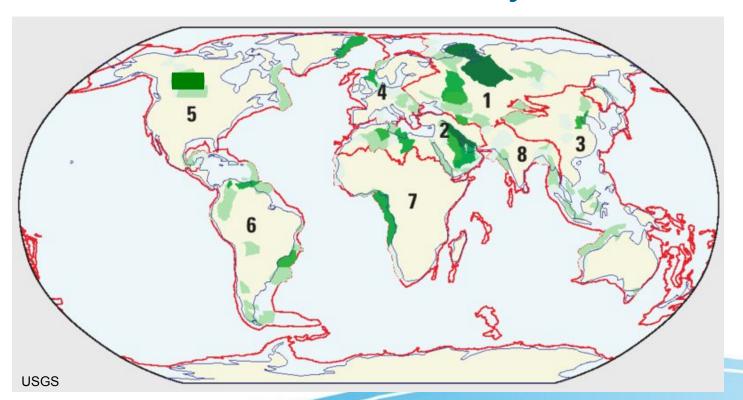
# Exploration and Production (8): Early History



- The modern era of oil usage began in 1846 when Gesner perfected the art of paraffin distillation.
- This triggered a massive worldwide boom in oil production.
- California was centre of activity in the early 1900s, famous for its gushers.

en.wikipedia.org/wiki/Image:Lucas\_gusher.jpg

# Exploration and Production (9): The Situation Today



Global oil and gas occurrences are now well understood (provinces shown in green). Only Antarctica and the Arctic remain unexplored.

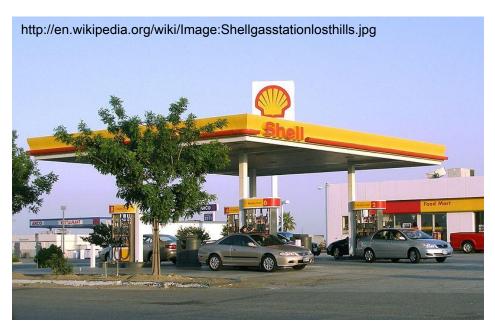
#### **Practical Exercise 2**

#### The Oil Prospector Game





### Politics (1): Fuel source



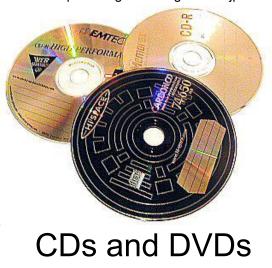
 Demand is ever increasing, especially due to growth of Chinese economy  84% of crude oil is refined into fuel, principally for cars and planes



blogs.sun.com/richb/resource/NBC\_at\_the\_Pump.jpg

### Politics (2): Other uses

en.wikipedia.org/wiki/Image:CD-R.jp





en.wikipedia.org/wiki/Image:Lilit.jpg

**Plastic** 



Fertilizers and Pesticides

en.wikipedia.org/wiki/Image:Konservering.jpg



Food additives

 The remaining 16% of crude oil is used for a range of purposes shown above as well as synthetic fibres, dyes and detergents

### Politics (3): Main Producers - OPEC

en.wikipedia.org/wiki/Image:Opec\_Organization\_of\_the\_Petroleum\_Exporting\_Countries\_countries.PNG



- Organization of the Petroleum Exporting Countries (OPEC) is a group of 13 countries that produce 36% of the world's oil, or 32 million barrels of oil per day.
- The biggest producer is Saudi Arabia, but Iran, United Arab Emirates, Kuwait and Venezuela are also major suppliers

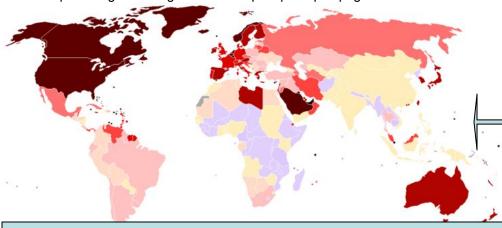
### Politics (4): Other Producers



- Organization for Economic Co-operation and Development (OECD) produces 24% of all oil, or 21 million barrels per day.
- The USA is the biggest single producer in OECD but Mexico,
   Canada and the UK are also major suppliers
- Outside OECD, the states of the former Soviet Union are also major producers supplying a further 15% of global output

### Politics (5): Supply and Demand

en.wikipedia.org/wiki/Image:OilConsumptionpercapita.png

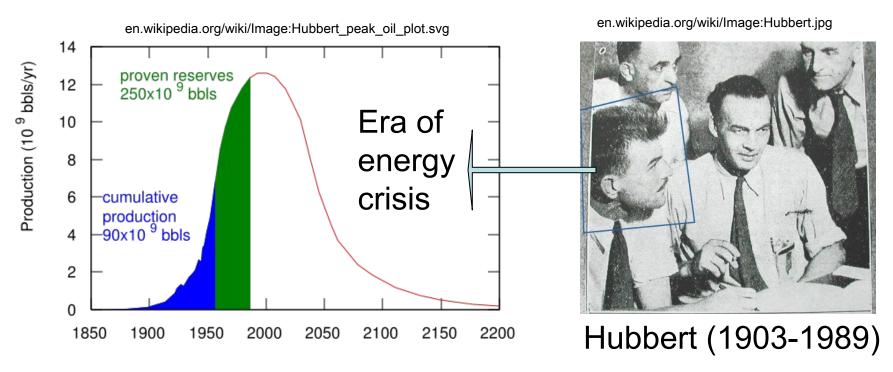


Oil consumption per person (darker reds indicate higher usage)

USA uses 24% of global supply but China shows the biggest year-to-year increase in usage

- In 2007, global consumption grew by 1.2 million barrels per day.
- OPEC and OECD nations can only raise production by a further
   2.5 million barrels per day so a squeeze is on the cards

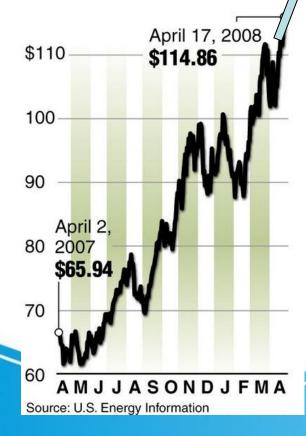
### Politics (6): Peak Oil



 In 1956, Hubbert predicted that global oil production would peak around the Year 2000 and trigger an Energy Crisis with power blackouts and rising costs of energy and fuel

### Politics (7): Rising Oil Prices

**\$139** by June 2008



- Oil prices have been steadily rising for several years and in June 2008 stand at a record high of \$139 per barrel.
- Is the rise due to a squeeze in availability (peak oil) or are other political or economic factors to blame?

### Politics (8): Canada's Tar Sands



- Higher oil prices and new technology mean unconventional oil deposits are now economically viable (e.g. tar sands)
- The Athabasca Deposit in Alberta contains 1.75 trillion barrels, or about half of the world's proven oil reserves!

### Politics (9): Global Warming

en.wikipedia.org/wiki/Image:Coal\_anthracite.jpg



en.wikipedia.org/wiki/Image:Bluebbl.gif



en.wikipedia.org/wiki/Image:Windpark\_Galicia.jpg



Oil and Gas emit 15-30% less CO<sub>2</sub> than coal per watt of energy produced. Renewable energy is clean but not yet viable as fuel.