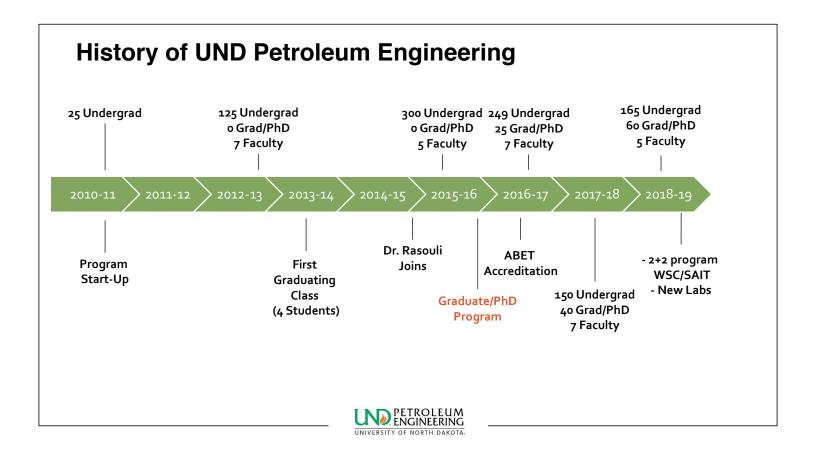


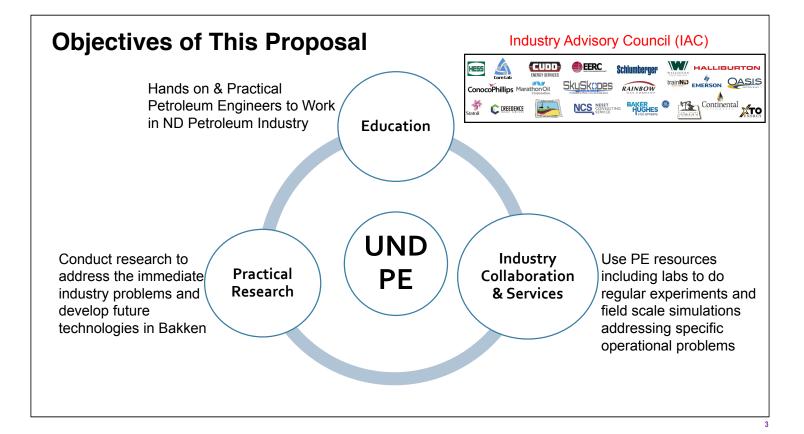
NDIC Funding to Support Research of Petroleum Engineering Program at University of North Dakota

"Contract ID. G-51-02"

Dr. Vamegh Rasouli Department Chair, Continental Resources Distinguished Professor

December 2019





Current Labs



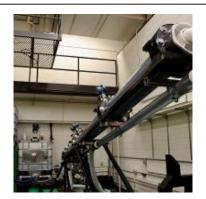
Auto Lab 1500 Multi-purpose Test System



DrillSIM-5000 'conventional' drilling simulator



Automated Drilling Rig



Cuttings transportation and hole cleaning design



Uniaxial Compressive Strength





Virtual Reality







Multiphase Flow Loop Lab



Pipeline Fluid Flow Simulation Lab

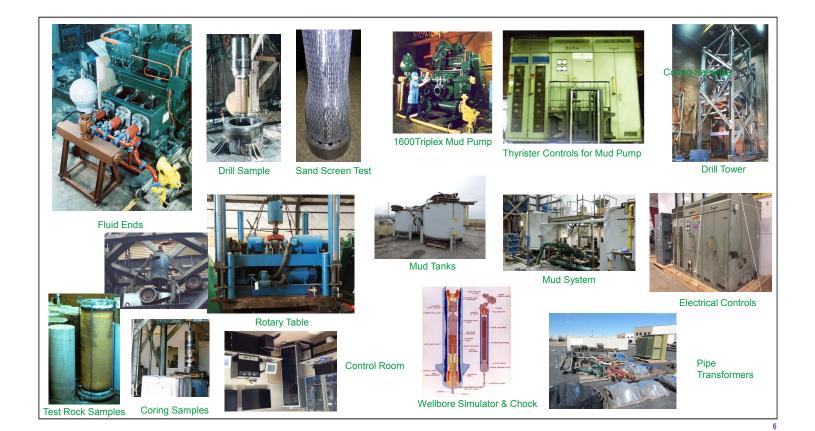
4

Full-Scale Reservoir Simulated Drilling and Completions Laboratory

Donation by

Sidney Green President of Enhanced Production, Inc. a Utah corporation, and is Research Professor at the University of Utah

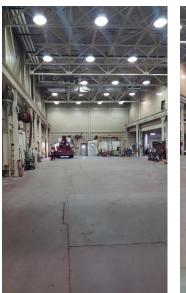




New Home for the Drilling Rig



- Old Minnkota Power Plant, Grand Forks
- 17,000sqf space & Full Basement
- Rented @ \$5,000/month











New Home for the Drilling Rig



What Opportunities the New Labs Offer?

- · Accessible to students and others at anytime
- Used for teaching purposes in several courses and demonstration to students
- Equipment can be used as training resources (pumps, compressors etc)
- Can be modified towards any specific research projects
- One of the few lab with capability of 20,000psi pressure application
- Usable for different industry services (sampling, drilling, bit testing etc)
- Enhances the chance for collaboration with other Universities and research institutes
- Strengthen our research proposal submission
- Promotes department's visibility and ranking worldwide

Current Fund Status

- A total of \$600,000 was approved for UND Department of Petroleum Engineering to support its research program. The fund was approved to be spent towards Ph.D. students' stipends and tuition as well as faculty summer salary. The grant started on Sept 1, 2018 for a period of 18 months.
- At least 9 students to be supported from this grant. In addition the department agreed to support 6 additional students to work on the projects related to this funding.
- At a minimum the following projects agreed to be completed by the students/faculty:
 - > Big Data Analytics/UAS/Data Mining
 - ≻CO2-EOR
 - Sulfate Deposition
 - > Machine Learning/Refracking

Impacts of the Funding

- Over 90 publications and 60 travels to conferences and workshops
- 10 PhD graduates so far, most of them working at the EERC
- Supporting Undergrad program
- Big advertisement for the program

Request for New Funding

"Contract ID. G-51-02"

1. Tuition and Stipend of Ph.D. Students

Approximate costs of a Ph.D. student per annum

| Tuition | \$15,000 |
|--|-----------|
| Stipend | \$15,000 |
| PC & Office Supply | \$1,000 |
| Travel to Conferences, Workshops | \$1,000 |
| Lab Material, Supply, Maintenance etc for lab based projects | \$2,000 |
| Total per student per year | \$34,000 |
| Total for 15 students per year | \$510,000 |

2. Faculty Summer Salary

- Including fringes and benefits varies between \$15,000 and \$19,000 monthly for Assistant to Full Professor positions. Average of \$16,000.
- We request one month of summer salary per annum for 6 faculty members, a total of **\$96,000**.

3. NDIC Endowed Faculty Hiring

• An Associate Professor hiring for a total annual package (salary & benefits) of **\$140,000**.

| Items | Year 1 | Year 2 | Year 3 | Total |
|--|---------|---------|---------|-----------|
| Lab Manager Salary including benefits | 150,000 | 150,000 | 150,000 | 450,000 |
| Consulting Fees | 50,000 | 10,000 | 10,000 | 70,000 |
| Equipment Upgrade | 300,000 | 50,000 | 20,000 | 370,000 |
| Lab Supplies | 100,000 | 50,000 | 50,000 | 200,000 |
| Lab Maintenance | 50,000 | 50,000 | 50,000 | 150,000 |
| Initial lab set up | 150,000 | | | 150,000 |
| Subcontractors | 100,000 | | | 100,000 |
| Total | 900,000 | 310,000 | 280,000 | 1,490,000 |



Harry Feilen Currently Mgr Operations & Safety – IES Strong candidate for PE Lab Mgr Position



Alan Black Former general manager of TerraTek's Drilling and Completion Laboratory



Sidney Green

Gee Green

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Total Funding Request for 3 Years Period

| Item | Total (\$) |
|--|------------|
| 15 Ph.D. students tuition & stipend | 1,530,000 |
| 6 faculty summer salaries | 288,000 |
| One Associate Professor Endowed Position | 420,000 |
| Full-Scale Reservoir Simulated Drilling and Completions Labs | 1,490,000 |
| Total | 3,728,000 |

Cost Share

| Company | Total (\$) |
|---|------------|
| Itasca Consulting Group, software donation & Technical Advice | 1,269,150 |
| SimTech, software donation & Technical Advice | 715,000 |
| Sid Green Four, LLC, technical advice, data sharing and donation of equipment | 2,000,000 |
| Total | 3,984,150 |

Total Project Costs

| Item | Total for 3 Years(\$) |
|----------------------|-----------------------|
| NDIC Funding Request | 3,728,000 |
| Cost Share | 3,984,150 |
| TOTAL | 7,712,150 |

