Halliburton’s New Fracturing Service Helps Increase Production for Magnum Hunter Resources in Eagle Ford Shale Formation

*More Details to Come at Joint Press Conference at SPE ATCE*

*Tuesday, Oct. 9, at 9 a.m., in San Antonio, Texas*

**HOUSTON** – (Sept. 13, 2012) – Halliburton announced today the commercialization of its new PermStim™ fracturing service. The service uses PermStim™ fluid, which is based on a derivatized natural polymer rather than guar. The fluid does not contain insoluble residue, making it a more robust system that will result in improved well performance.

A recent fracturing treatment involved the first use of the new fluid system in the Eagle Ford shale formation. Magnum Hunter Resources chose the fluid for its Moose Hunter 1H well in Lavaca County, Texas. The fracturing treatment was performed in a 6,050-foot horizontal section at 10,897 feet in vertical depth, with a bottomhole temperature of 280°F and a bottomhole pressure of 6,500 pounds per square inch (psi).

The treatment was pumped down a 5-1/2-inch casing, using a hybrid fluid system that interspersed linear fluid stages with cross-linked fluid stages using PermStim fluid. Proppant concentration ramped from .25 pounds to 4 pounds per gallon. The 24-hour initial production was 1,686 bbl of oil and 801 Mcf of gas on a 16/64-inch choke, which exceeds the average 24-hour initial production for Magnum Hunter’s operated wells in the Eagle Ford shale area.

H. C. “Kip” Ferguson III, executive vice president of exploration for Magnum Hunter Resources, said, “PermStim fluid worked very well and was easily integrated into our current fracturing design. A clean fluid makes sense as we plan for closer offsets and begin our development program for the Magnum Hunter Eagle Ford shale area.

“The typical completion in the Eagle Ford shale play does not recover a significant amount of load water from frac stages; therefore, we need to optimize the fluids we use throughout our development area,” Ferguson added, “and we believe the use of clean fluids like the PermStim fluid system will result in maximum regained permeability and will reduce residue retained by the producing formation.”

Laboratory tests show that PermStim fluid provides significantly higher regained permeability than derivatized and native guar-based fluids. In proppant pack flow measurements, the derivatized guar-based fluid exhibited 70 percent regained permeability and the native guar-based fluid only 40 percent, while the PermStim fluid exhibited 94 percent regained permeability.
So far, the PermStim fluid system has been used successfully in more than 102 wells located primarily in the Denver-Julesburg, Williston and Green River basins at temperatures up to 300°F bottomhole static temperature. The PermStim fluid system provides important benefits: improved well cleanup, enhanced proppant pack permeability, controllable viscosity, excellent proppant transport, salt tolerance, and instant and delayed cross-linking systems.

PermStim fluid is designed to provide equal or better health, safety and environmental (HSE) performance than any other conventional fracturing fluid system on the market. Even better HSE performance is available with CleanStim® fluid formulation composed of components sourced from the food industry.

About Halliburton
Founded in 1919, Halliburton is one of the world’s largest providers of products and services to the energy industry. With more than 70,000 employees in approximately 80 countries, the company serves the upstream oil and gas industry throughout the life cycle of the reservoir – from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production through the life of the field. Visit the company’s website at www.halliburton.com.