The Society of Petroleum Evaluation Engineers SPEE Denver Chapter announces its July Luncheon Meeting.

(Members and Guests are cordially invited to attend.)

Thursday, July 27, 2017

Mr. Randy Freeborn

Chief Research Engineer, Energy Navigator, Inc.



Will be speaking on: <u>Production Rate Scaling Principles for use in Type Well Construction</u>

> LUNCHEON STARTS AT 11:30 A.M. (A plate lunch will be served.) PRESENTATION BEGINS AT NOON

The Denver Athletic Club

3rd Floor, The New Petroleum Club Room 1325 Glenarm Place (14th and Glenarm) Denver CO 80204 Parking flat rate \$7.00 on space available basis

Cost: \$25.00 per Person Special pricing of \$25 continued into 2017. Normally \$35.

Please RSVP by Noon Tuesday, July 25, 2017

RSVP and simultaneously pay by credit card online at:

https://secure.spee.org/civicrm/event/info?reset=1&id=137

If the above link does not work, alternatively go to <u>www.spee.org</u> then select 'Local Chapters', then 'Denver', then 'Register Now'.

Production Rate Scaling Principles for Use in Type Well Construction

Randy Freeborn, P. Eng. July 2017

Topics

Sample Size Matters

Scaling to get more analogs

- Time to end of linear flow
- Well length
- Number of fractures
- Permeability

Diagnostics

- Estimate unknown parameters for a well
- Scale a well's data to your planned drilling and completion design

Sample Size Matters

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Sample Size Matters?

We bin to get representative wells

- Drilling longer wells
- More fractures, greater fracture density
- Bigger fractures, both volume and proppant
- Sweet spots are getting drilled up

How does sample size influence accuracy?

- Each new bin halves the sample size
- Scaling may provide representative wells without binning?
- Trade off: scaling error vs error from small samples



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Double the sample size, confidence improves two fold

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Scale to get more analogs

Transform old wells to new wells

Reference: Freeborn et al, SPE 175967

Scaling

- •Scale what you can, bin the rest
- Accuracy trade off: scaling vs small samples
- Logic is physics based intuition
 - Adjusting initial rate and t_{elf}
 - Based on Dr. Lee's equation $t_{elf} = \frac{1896 \ \emptyset \ \mu \ C_t \ d_i^2}{k}$
 - Improvement possible from parametric simulation
- Create wells scaled to new drill/complete plan
 - Bin the scaled wells as necessary
 - For each bin, build type well from scaled wells

Scaling – End of Linear Flow

$$t_{elf} = \frac{1896 \, \emptyset \, \mu \, C_t \, {d_i}^2}{k}$$



Time viscosity compressibility inter-fracture distance permeability t hours μ cp c_t psi⁻¹ d_i ft k md

Dr. Lee, Reservoir Engineering Aspects of Unconventional Resources SPE Course Oct 29, 2012

Strategy · Planning · Asset Development · Capital Management · Economics · Reserves

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Scaling – Sweet spot

Intuition from physics

- Rate is proportional to permeability
- Proppant concentration may act as increase in perm
- For gas, $c_t \approx 1/p$: pressure may act like k
- New permeability changes t_{elf}

Math and process

- Scale Factor = $\frac{perm_{target}}{perm_{well}}$ $t_{elf} = \left(\frac{perm_{well}}{perm_{target}}\right)$
- Remove history $< t_{elf}$ and multiply rates by the Scale Factor
- Forecast linear flow, transition at calculated t_{elf}

Scaling – Sweet spot

	Hyperbolic	Scaled	
$egin{aligned} q_i \ d_i \ b_i \ b_f \ t_{elf} \end{aligned}$	83000 8000 2.30 0.30 1134	138336 8000 2.30 0.30 681	83000 (1.667) 1134/1.667
length fracs distance wlf	6599 9 825 0.743	6599 9 825 0.743	
k	1.000	1.667	(1.667/1.00) = 1.667

Note: same rate increase as frac example where EUR decreased 9% Montney: 02/11-13-077-15W6/0

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Scaling – Sweet spot



EUR increases 28% (577 to 740 mcf/ft)

 $^{\rm c}/_{\rm w}$ fracs, more time at high rate, shallow final decline

Scaling – Number of fractures (stage count)

Intuition from physics

- Prior to t_{elf} , each fracture behaves as vertical well
- P_{wf} different at each frac; captured in the average
- New fracture spacing changes t_{elf}

Math and process

• Scale Factor =
$$\frac{\# fracs_{target}}{\# fracs_{well}}$$

$$t_{elf} = \left(\frac{d_{i_{target}}}{d_{i_{well}}}\right)^2$$

- Remove history $< t_{elf}$ and multiply rates by the Scale Factor
- Forecast linear flow, transition at calculated t_{elf}

Scaling – Number of fractures (stage count)

	Hyperbolic	Scaled	
q_i d_i b_i	83000 8000 2.30	138336 8000 2.30	83000 (1.667)
D _f t _{elf}	1134	0.30 370	1134 (0.326)
length fracs distance wlf	6599 9 e <mark>825</mark> 0.743	6599 15 471 0.743	(15/9) = 1.667 $(471/825)^2 = 0.32$

Montney: 02/11-13-077-15W6/0

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Scaling – Number of fractures (stage count)



Scaling – Why less EUR with more fracs?



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Scaling – Well length

Intuition from physics

- Longer well with same d_i and t_{elf}
- Prior to t_{elf} , each fracture behaves as vertical well
- More fracs, greater rate
- Rate improvement diminishes with length
 - Friction & liquid buildup in wellbore
 - Lower effective frac length and drawdown at the toe

Math and process

• Scale Factor =
$$\left(\frac{\# fracs_{target}}{\# fracs_{well}}\right) \left(\frac{WLF_{target}}{WLF_{well}}\right)$$

- Multiply rates by the Scale Factor
- Forecast linear flow with no change to t_{elf}

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Increase well length from 1 mile to 2 miles

IP 180 only increased by 60%

Convert the data to well length factor

Braun et. al., SPE 171658

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Scaling – Well Length

ŀ	lyperbolic	Scaled	
q _i d _i b _i b _f t _{elf}	83000 8000 2.30 0.30 1134	102404 8000 2.30 0.30 1134	83000 (1.667) (0.740)
length fracs distan wlf	6599 9 ce 825 0.743	11549 15 825 0.550	(15/9) = 1.667 (0.550/0.743) = 0.740

Montney: 02/11-13-077-15W6/0

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Scaling - Well length



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Scaling – Combination of factors

Scenario

- Older wells that were drilled 3 or 4 years ago
- Technology and our understanding has changed
 - Previous 9 stage plug 'n perf fractures
 Replaced with 30 stages of 2 perf clusters (60% efficient)
 - Longer wells: 11549 ft compared with prior 6559
 - Now drilling sweet spots with 25% greater k
 - 20% grater proppant volume per frac

Scaling – Combination

	Hyperbolic	Scaled	
$q_i \\ d_i \\ b_i$	<mark>83000</mark> 8000 2.30	<mark>368654</mark> 8000 2.30	83000 (1.5)(4.0)(.74)
b_f	0.30	0.30	
l _{elf}	1134	121	1134(0.16)/1.50
length	6599	11549	
fracs	9	36	30(2)(60%)/9 = 4
distance	825	330	$(330/825)^2 = 0.16$
k	1.00	1.50	1.25(1.2) = 1.50
wlf	0.743	0.550	(0.550/0.743) = 0.740

Montney: 02/11-13-077-15W6/0

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Scaling – Combination



Scaling

- Other parameters suited to scaling
 - Frac size (proppant volume)
 - Frac quality k_{eff} (proppant concentration)
 - Reservoir pressure (for gas $c_t \cong 1/p$)
 - Effective fracture length
- Examples of parameters suited to binning
 - Operator, vintage, cardinality, frac fluid
- Issues with scaling
 - Unknown or unavailable parameters
 - Assumes uniform reservoir drainable with completion
 - Scaling algorithm may not be developed
 - Flawed or incomplete intuition

Scaling – Summary

Confidence in probability distributions and type well profiles is roughly proportional to sample size.

Scaling has the potential to improve type well confidence

- Increase in analog well count
- Decrease in P10/P90 ratio more similar wells

Less error results in more reliable type wells with more reliable reserve and economic assessments.

Diagnostics

Scaling to find completion unknowns and explain anomalies

Reference: Freeborn et al, SPE 175967

Diagnostic – Example 1

A well was cluster fractured. How may fractures?

- Control well: 9 fracs, plug and perf Estimate 900 tonnes placed horizontal length of 6599 ft
- Target well: 5 frac stages (16 perf intervals) 1100 tonnes placed horizontal length of 6170 ft
- Result: 8 fractures (50% efficiency)

Control well 02/11-13-077-15W6/0 Target well 00/05-13-077-15W6/0

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Producing Days

- Match with fracs 12 is best, but t_{elf} wrong
- Match with perm t_{elf} still wrong
- Trade fracs for perm match with 8 fracs, 40% more perm
- With 8 fracs, the target well had 37% more sand/frac

Diagnostic – Example 2

Conflicting results

- Control well: 9 fracs, plug and perf
 Estimate 900 tonnes placed
 horizontal length of 6599 ft
- Target well:
 16 fracs, plug and perf
 1600 tonnes placed (same/frac)
 horizontal length of 7375 ft
- Result: 7 fractures
 connecting behind pipe

Control well 02/11-13-077-15W6/0 Target well 00/10-13-077-15W6/0

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Producing Days

- Rates too low, even with sand volume adjusted perm
- Best scaling is with 7 fracs and 2.75 x k
 - Perm increase has 2 factors: 2.3 fold proppant, 20% k
 - Fractures must be connecting behind pipe

Diagnostic – Summary

- Diagnostics are a useful tool for understanding what really happened with your completions.
- Diagnostics pay permit determining the completion parameters needed for scaling when they are unknown.
- When a source well is not available, it could come from RTA or simulation.
- Scaling / diagnostics combined with economics are useful for reducing the number of completion optimization alternatives.

Creating Type Well Production

ofiles, June 2017



Thank you

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