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Unified Well Spacing and Completion Design for Unconventionals – A Physics and Data-Driven Approach

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Which Design is Best?

- Three design alternatives for the same campaign
- How to compare? Evaluate?





Goal and Outline



Demonstrate a Commonsense Workflow for Unconventional Reservoir Development

Reservoir Simulation Field Data Analysis



- Motivation
- Context
- Approach
- Applications
- Conclusions

Motivation





"If I paint a wild horse, you might not see the horse... but surely you will see the wildness!"

— Pablo Picasso

- Unconventional reservoirs
 - Small scale flow physics
 - Complex fracture systems
 - Large drainage volumes
- Need for practical translation
 - Rapid campaign design
 - Efficient learning
 - Value creation

Campaign = Horizontal Well Development Cycle



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Campaign Design Variables

Drilling azimuth Lateral length Completion style

- 1. Well Spacing
- 2. Well Stacking Pattern

3

3. Stimulation Size



End view of well stacking pattern

Hydraulic Fracture Stimulation



Proppant Mass

Fluid Volume



I E C T U R E R

Fluid Loading or Intensity (volume per lateral length)

Proving Ground: Denver Basin Niobrara Play



Analogs for Knowledge Transfer: Type log (Sonnenberg, 2011) 3D well stacking patterns, Multiple Targets, Potential for interference

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Global Potential of Tight Oil and Gas



Tight oil and gas represent resources in low-permeability reservoirs, including shale and chalk formations. Natural gas production represents dry gas.

- US Energy Information Administration.



Basins with assessed shale oil and shale gas formations, 2013

- 8% of global crude supply, 14% natural gas, mostly US-based (2019)
- Material global resource
- Similarities among basins promotes knowledge transfer







Dynamic Stimulated Reservoir Volume (DSRV) Model

Colors represent transmissibility multiplier along a fracture plane at time of injection

Dynamic Stimulated Reservoir Volume Model

Coupled injection-production solution

Stimulation = Planar fracture + enhanced matrix



Concept-to-Simulation of a single perforation cluster

SPE 191571-MS Sen et al. 2018



Dynamic Stimulated Reservoir Volume Model



Coupled injection-production solution Stimulation = Planar fracture + enhanced matrix



SPE 191571-MS Sen et al. 2018

Dilation-Compaction



- 1. Injection: Matrix entry threshold
- 2. Fracture initiation
- 3. Fracture extension
- 4. Drawdown: Fracture function replaced with propped feature
- 5. Retained enhancement

13



Enhancement Mechanism

14

3

Matrix Fracture

Drawdown Hysteresis

Pattern Element

- Smallest repeating part of larger system
- Scale model allows focus on inter-well dynamics



Transmissibility Multiplier at Two Times of Injection 1:600 scale model of an 18-well campaign 100000.00 Inj_NioB_1 Cod I -10000.0 -10000.0 Inj NioB 2 - 1000.00 -1000.00 -100.00 -100.00 -10.00 -10.00 1.00 880' Z/X: 0.25:1 Total Blocks: 110,704 Z/X: 0.25:1 Total Blocks: 110,704 Active Blocks: 110,704 Active Blocks: 110,704 **50'**

Time 1 – Upper Zone Injection

Time 2 – Lower Zone Injection



Maximum Efficient Volume

- Two-well, two-target cross section
- Stimulation pressure front at onset of interference
- Threshold of effective stimulation











10 wells/section 50 bbl/ft



12 wells/section 35 bbl/ft

Well-level Predictions: Variable Spacing, at MEV



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*US Federal Land Survey Grid

Well Group-Level Predictions





After SPE-194312-MS Tanner et al. 2019

Recovery Limit





High Slope Path – Add Wells





Low Slope Path – Add Fluid



Validation from Field





Denver Basin Historical Trends Explained



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Denver Basin Niobrara Oil Net Present Value





- Industry-wide dataset
- Confirms two alternative designs for maximum oil NPV
 - 1. Well-Intensive: Small completion-tight well spacing
 - 2. Fluid-Intensive: Large completion-wide well spacing

Must Use Physics with Field Data for Best Designs





C. Well-intensive optimum?



D. Integrated analysis optimum



Unconventional Resource Normalization Plot (N-Plot)



The Case for Averaging



Single-well approach inadequate



Group level interpretation more representative



after URTEC-2897656 Min et al. 2018

Group-Level Interpretation



Goals

- Smooth out local effects of uneven geology, well spacing, and timing.
- Readily deployed and cross-checked on a large dataset and models.



Group-Level Interpretation



Goals

- Smooth out local effects of uneven geology, well spacing, and timing.
- Readily deployed and cross-checked on a large dataset and models.



Grand Averaging of Play-Level Well Performance



Well-level stimulation and production Volumes are <u>allocated</u> to each <u>Section</u>, <u>summed</u>, <u>normalized</u> by HCPV, and plotted as one point per section.



What Does the N-Plot Tell Us?

- 1. Strong correlation: <u>Response slope</u> directly linked to economics of adj. fluid intensity.
- 2. More heterogeneity and well interference than model
- 3. Model-based trends can be discerned



Use of N-Plot with Model Guidance offers most interpretive power

Application #1: Post-Appraisal



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- Three designs from same geo-cluster
- Appropriately or poorly developed?

After 195204-MS Rosenhagen et al. 2019



Operator B 0.0450 SPE DISTINGUISHED LECTURER Optimum 0.0400 NPV/Section = \$1.9 MM • 0.0350 Normalized Oil EUR/Section (HCPV) Operator might have **Recovery limit** ullet0.0300 achieved same oil with 20 wells/sec 25% less water 0.0250 B 21 bbl/ft 0.0200 2.1 MMBW/sec 2.0 MMBO/sec 0.0150 100 MBO/well 0.0100 20 WPS tie-line 0.0050 After 195204-MS Rosenhagen et 0.0000 al. 2019 0.005 0.01 0.015 0.02 0.025 0.03 0.035 0.04 0.045 0.05 Normalized Stimulation Fluid Volume/Section (HCPV) 36

Operator C





NPV/Section = \$7.4 MM

•

 Operator could have achieved 50% more oil.

After 195204-MS Rosenhagen et al. 2019



Application #2: New Campaign Design



New Campaign Design Results



A. Base design MAKE IT BETTER

- **B. Add wells**
 - More recovery, value

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- FAIL incremental investment efficiency
 C. Add fluid
 - More recovery, value
 - **EXCEED** incremental investment efficiency





Questions

- Remaining oil distribution
- Effects of changing stress, temperature, and fluid chemistry?
- Impacts of geology, depth, reservoir fluid type, well patterns, stimulations?
- Drive mechanisms for both IOR and EOR?

Conclusions



1. Practical approach

Combination of physics and data-driven techniques allows engineers to create, interpret, and improve integrated well spacing - completion designs

2. The power of Hydraulic Fracturing design

A force for campaign-level optimization

3. Just ONE WAY to rein in a wild problem

Successfully and economically manage a physically complex asset



Photo by Daniel Bonilla on Unsplash

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21-22



BACKUP

Sample Play Comparison

Vaca Muerta



Structure map of Denver Basin, with Niobrara oil and gas fields (from Sonnenberg, 2016)

Formation	Niobrara	Vaca Muerta
	Late	Late Jurassic-
Age	Cretaceous	Early Cretaceous
	organic	-rich marine
	carbonate	mudstone and
Lithology		shale
Average		
Depth (ft)	6800	6500
Net Thickness		
(ft)	300	1000
Reservoir	over-	highly over-
Pressure	pressured	pressured
Total Organic		
Content (wt.		
%)	5%	6%
Reservoir		
Fluid	Varies v	vith maturity



Prospective shale gas and oil areas, Vaca Muerta Formation, Neuquen Basin (Advanced Resources International, 2013 and U.S. Energy Information Administration, 2015)

Workflow Extensions



1. Zone-specific matrix transmissibility functions



2. Propped fracture length proxy



3. Matrix and SRV relative permeability



All features set through calibration

Drainage Volume Characterization Project



<u>Study</u>

Pressure observations of four-HZ well hydraulic fracturing program



<u>Mechanisms</u>

- 1. induced fractures
- 2. natural fractures
- 3. pore space
- 4. matrix (poroelastic)

Griffith and McClure, 2016. Society of Exploration Geophysicists and American Association of Petroleum Geologists, 13 October.



Conclusions

- 1. Drainage volume is complex
- 2. Fluid compressibility can overshadow poroelastic effects
- Hydraulic connections more widespread than retained propped connections

Hydro-Fracture Model Types: Where Does DSRV Fit?



Some Modeling Options:

Mechanical fracture models

- 2D
- Pseudo-3D
- Gridded
- Complex (DFN, non-planar)

Reservoir simulators

- Enhanced skin
- Local Grid Refinement
- Dual Permeability

Coupled simulators

- Precise
- Approximate
- Varied

What Features are Coupled?





🖌 DSRV model

Scale Model: Pattern Element Selection





Convenient Well Group Level for Averaging Western USA



The PLSS is a method used in the United States to survey and identify land parcels. Its basic units of area are the

- <u>Section</u>: one square mile or 640 acres
- Township: 36 sections



USGS

Why Different Slopes?





54

Why Different Slopes?



Same sect	ion oil, diffe	rent well sj	pacing					
<u>Assumptio</u>	ons							
OOIP (STB	/section)	2.50E+07						
Oil RF per	section	5.00E-02						
Oil EUR (S ⁻	TB/section)	1.25E+06						
	Well							
	Density	Fluid	Water inj	Water inj		Oil	Oil	
	(wells/sect	Loading	(bbl/secti	(bbl/secti	Oil	EUR/well	EUR/well	Oil
Scenario	ion)	(bbl/ft)	on)	on) norm	EUR/section	(STB)	norm 2	RF/well
Α	16	18	1.44E+06	1	1.25E+06	78,125	1	0.05
В	9	72	3.24E+06	2.25	1.25E+06	138,889	1.78	0.05
		not or	ootod					

- All SRV not created equal
- Larger well box requires more WI to achieve same RF as small well box – to capture resources further afield.

Group-level Predictions (below & at MEV)





Custom MEV from Modeling



Geology, Well geometry, Reservoir fluid type

System compressibility drives SRV creation, resulting in different MEV trends





Courtesy Core Lab Reservoir Fluid Services



Prediction Sensitivity to Reservoir Fluid

Tie lines of constant WPS



Response slope directly linked to economics of adjusting fluid intensity

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Field Data: 10-Pattern Well Spacing Test



Spacing Test Detail



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Interpretation of Field Data (1)



	Well	Stim		Actual	
	Density	Fluid		Wtr/Se	ec
Area	(WPS)	(BPF)		(MMb	bl)
A	10		20		1
В	10		55		2.8
С	14		35		2.5
D	16		35		2.8
E	17		28		2.3
F	18		33		2.9
G	20		22		2.2
Н	22		17		1.9
I	28		35		4.9
J	32		35		5.6

Spacing Test Detail

Field Data Simulation



Interpretation of Field Data (2)

Area

А

В

С

D

Ε

F

G

Н

Т



Water injected per section

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Interpretation of Field Data (3)





Design opportunity

5.0E+005 1.0E+006 1.5E+006 2.0E+006 2.5E+006 3.0E+006 3.5E+006 4.0E+006 4.5E+006 5.0E+006 5.5E+006

Interpretation of Field Data (4)





Simulation
Design opportunity

5.0E+005 1.0E+006 1.5E+006 2.0E+006 2.5E+006 3.0E+006 3.5E+006 4.0E+006 4.5E+006 5.0E+006 5.5E+006

Interpretation of Field Data (5)



	Well	Stim	Actual	Right-	
	Density	Fluid	Wtr/Sec	Sized	
Area	(WPS)	(BPF)	(MMbbl)	Wtr/Sec	Diff
٩	10) 20) 1	. 3	3 2
3	10) 5!	5 2.8	3.4	1 0.6
	14	1 3!	5 2.5	5 2.7	7 0.2
)	16	5 3!	5 2.8	3.9	9 1.1
:	17	7 28	3 2.3	3 2.4	l 0.1
-	18	3 33	3 2.9) 2.9	9 0
G	20) 22	2 2.2	2.5	5 0.3
ł	22	2 1	7 1.9) 2.5	5 0.6
	28	3 3	5 4.9) 1.7	-3.2
J	32	2 3!	5 5.6	5 1.5	-4.1
	E _E	ield Dat			Co
			.a		512

Field Data Simulation Design opportunity

5.0E+005 1.0E+006 1.5E+006 2.0E+006 2.5E+006 3.0E+006 3.5E+006 4.0E+006 4.5E+006 5.0E+006 5.5E+006

Interpretation of Field Data (6)



HF Fundamentals – selections Planar Fracture Assumption



• 4.12.1 p.113: The paradigm of planar fracture was chosen more for convenience than for an accurate description of fractures in geological formations.

• p.119 Because fractures grow perpendicular to the least principal stress, most hydraulic fractures can be approximated as planar.

Hydraulic Fracturing: Fundamentals and Advancements, SPE Monograph, Miskimins editor-in-chief, 2019, Ch.4 – Wiejers and de Pater.

HF Fundamentals – selections DFN Modeling



• 4.12.1 p.117: Detailed shale stimulation studies with DFN simulations could be useful for characterizing the formations, but it appears more productive to develop much simpler modeling techniques that can be used for designing routine well stimulations.

• 4.12.1 p.119: DFN models contain many parameters that need to be calibrated on the basis of full reservoir characterization and microseismic mapping and treatment records. Given the large number of input parameters, it is impossible to make reliable, detailed predictions of fracture geometry in offset wells. At best, an average fracture geometry can be obtained from model calibration.

Hydraulic Fracturing: Fundamentals and Advancements, SPE Monograph, Miskimins editor-in-chief, 2019, Ch.4 – Wiejers and de Pater.

HF Fundamentals – selections Coupled Models



• 4.13.1 ...using only limited coupling will be more practical in many cases compared with full coupling. For instance, coupling of a fractured well to the reservoir is now routinely done with explicit fractures in 3D simulation models, but ignoring detailed stress changes. Stress evolution by depletion might be a necessary component to include because depletion tends to give a strong stress effect, and this has a big influence on fracture geometry.

• Different levels of coupling can be applied: The simplest way is to couple pressure to stress and displacements, but full coupling of flow properties (transmissibility) with stress and its impact on flow and pressure can also be performed.

• Porosity is often a function of the stress, but more importantly permeability will nearly always exhibit a strong stress dependency. Fracture propagation by fluid injection will change the permeability in the fracture plane by orders of magnitude because of fracture opening. Also, permeability might change because of shear strain and compaction that occurs over a large volume.

• The simplest method to incorporate a fracture into an FEM is the so-called "smeared crack" method. Instead of explicitly modeling the fracture opening displacement, the element properties are modified to describe the fracture opening. In some models, the opening is even neglected and only fracture transmissibility is included because that is most important.

• The capability to accurately include the filtrate fluid in the reservoir-simulation input is very important when trying to accurately model (or history match) the initial post-fracture cleanup period, which can be of critical importance especially in tight gas reservoirs.

Hydraulic Fracturing: Fundamentals and Advancements, SPE Monograph, Miskimins editor-in-chief, 2019, Ch.4 – Wiejers and de Pater.