



RTA Workflow for Shale Gas Wells Exhibiting Continuous Linear Flow

The following describes the recommended workflow within F.A.S.T. RTA™ for analyzing shale gas reservoirs. The workflow involves using several different techniques, which together can be used to obtain a reliable interpretation and production forecast.

Workflow Summary:

1) Wattenbarger Typecurve Analysis

- Helps identify flow regimes
 - Ensure data are properly filtered (outliers/noise removed)
 - Use “Derivative” plot with Bourdet (0.2) setting
 - Look for $\frac{1}{2}$ slope in Derivative data
- Note:** $\frac{1}{2}$ slope may **NOT** be present in normalized rate data

2) Specialized Analysis – Linear Plot

- Confirms the presence of linear flow – should be a straight line
- Ensure options “Linear” and “Constant Pressure” are used
- For horizontal multi-frac’d wells, set “ x_f ” equal to **half** the effective well length
- The calculated permeability “ k ” represents an “effective permeability” for the stimulated reservoir volume (SRV)
- Positive y-intercept indicates apparent damage skin

3) Flowing Material Balance

- Estimates minimum or contacted gas-in-place (OGIP) and associated drainage area

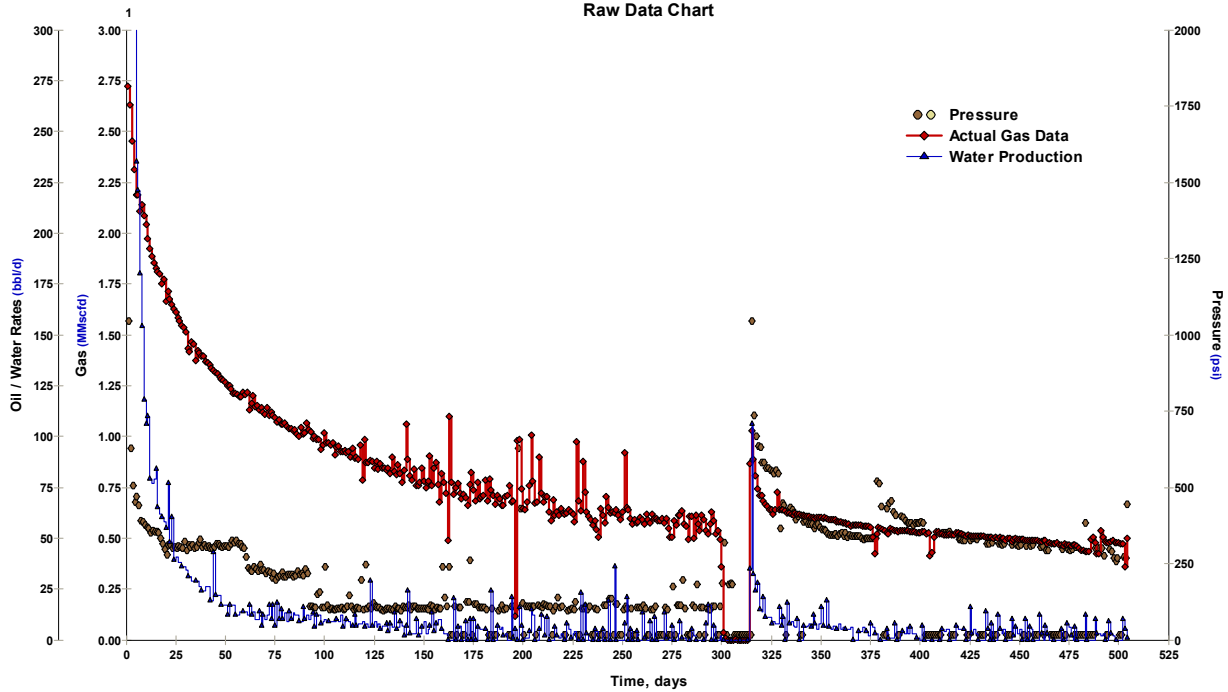
4) Analytical Modeling/Forecasting

- Helps to validate the interpretation
- Provides production forecasts for a range of different assumed drainage areas
- Seed the “Fracture” model using “ k ” and “ x_f ” from “Specialized Analysis”
- Set reservoir x_e boundary to $2 * x_f$, and set y_e boundary to a value consistent with the OGIP determined from FMB
- Fine tune the history match by changing k and y_e
- Run production Forecast using appropriate constraints
- Return to Fracture model and vary OGIP by varying y_e boundary (ensure y_w is set to $\frac{1}{2}$ of y_e) to increasingly larger values, repeating the forecast for each run
- Plot the forecast results (EUR) against input reservoir volumes (OGIP)
- Upper limit of OGIP should be based on microseismic or well spacing

5) Traditional

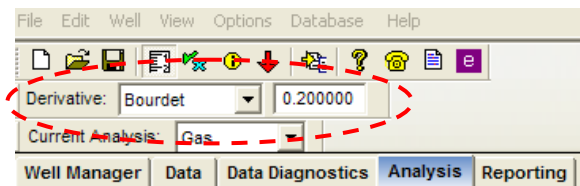
- Provides forecast in a standard form
- Use hyperbolic exponent “ b ” equal to 2 if you believe you have linear flow
- Use “Modified Hyperbolic” and set “ D_{lim} ” to a reasonable value (5% to 10%) or to such a value that the EUR is consistent with that of the analytical forecasts

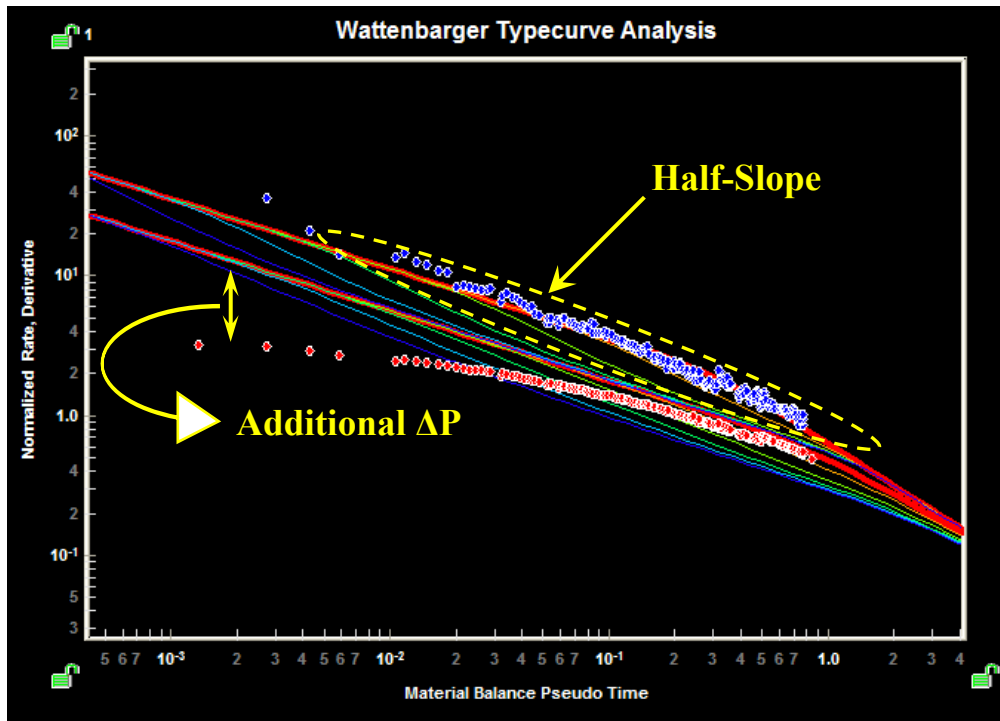
Example: Well 1



Step 1: Wattenbarger Type Curve Analysis (Log-Log Plot)

Flow regime characterization is often possible by examining the data using Wattenbarger's typecurve analysis. In this technique, the normalized rate and the Derivative are plotted versus material balance time on a log-log plot. Linear flow is indicated if the Derivative is a "half-slope". Often, the early time rate data departs from the rate type curve, even though the derivative data matches the derivative type curve. This is an indication of an additional pressure drop, not accounted for in the Wattenbarger analysis. This pressure drop may be referred to as an apparent skin. The example well illustrates this scenario in the plot below. This additional pressure drop is caused by unaccounted-for effects such as: fracture face skin, choke skin, convergence skin, poor early-time pressure data, well clean-up, etc. In this case, the data has been filtered and a 'Bourdet' derivative of 0.2 has been selected to aid in revealing the observed half-slope. This technique should be considered to be a screening method rather than a quantitative analysis tool, and should be used in conjunction with **Step 2**.





Step 2: Specialized Analysis – Linear Plot

The Specialized Analysis module is used, in conjunction with **Step 1** to confirm the presence of linear or radial flow. The half-slope segment of the log-log plot in the Wattenbarger derivative is equivalent to a straight line on the square root time specialized plot. Unlike radial flow, which yields the flow capacity kh (the product of permeability and net pay), linear flow yields the term of $A\sqrt{k}$ (the product of the cross-sectional area available to flow and the square root of permeability). From the slope of the straight line, and knowing values for other reservoir parameters, we can calculate $x_f\sqrt{k}$ (as area to flow is related to x_f and h). In this example, half the completed length of the horizontal wellbore ($\frac{1}{2} \times 3000$ ft) is entered as the fracture length. The software will calculate an effective permeability (k_{eff}). This “effective permeability” is useable only in conjunction with the specified fracture length. It should not be interpreted as representing either the fractures or the matrix, but it is a meaningful combination of the two. It will be the value used as the initial input parameter for k in the analytical modeling (i.e. history matching) of this data set. The resulting additional ΔP observed in Wattenbarger is recognized on the linear plot as a positive ordinate-intercept (i.e. a value above the origin), identified on the plot below. For transient flow regimes other than linear flow, a different workflow is required.

Plot Options

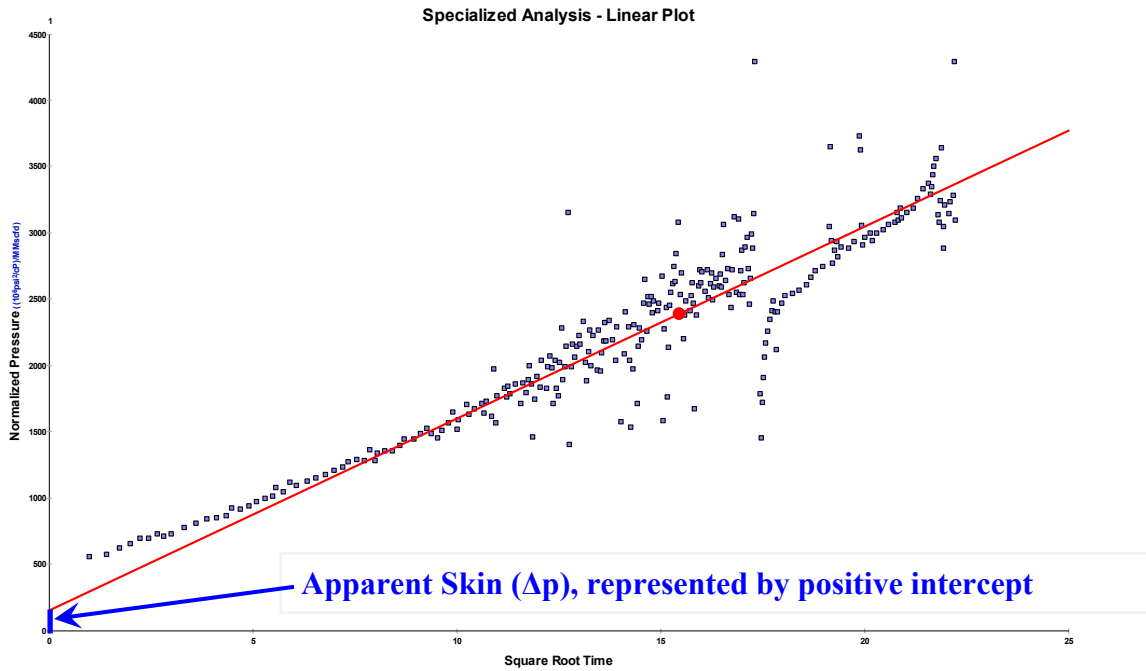
Radial (semi-log)
 Linear (square root)

Axis Options

Use constant pressure solution
 Use Superposition Time

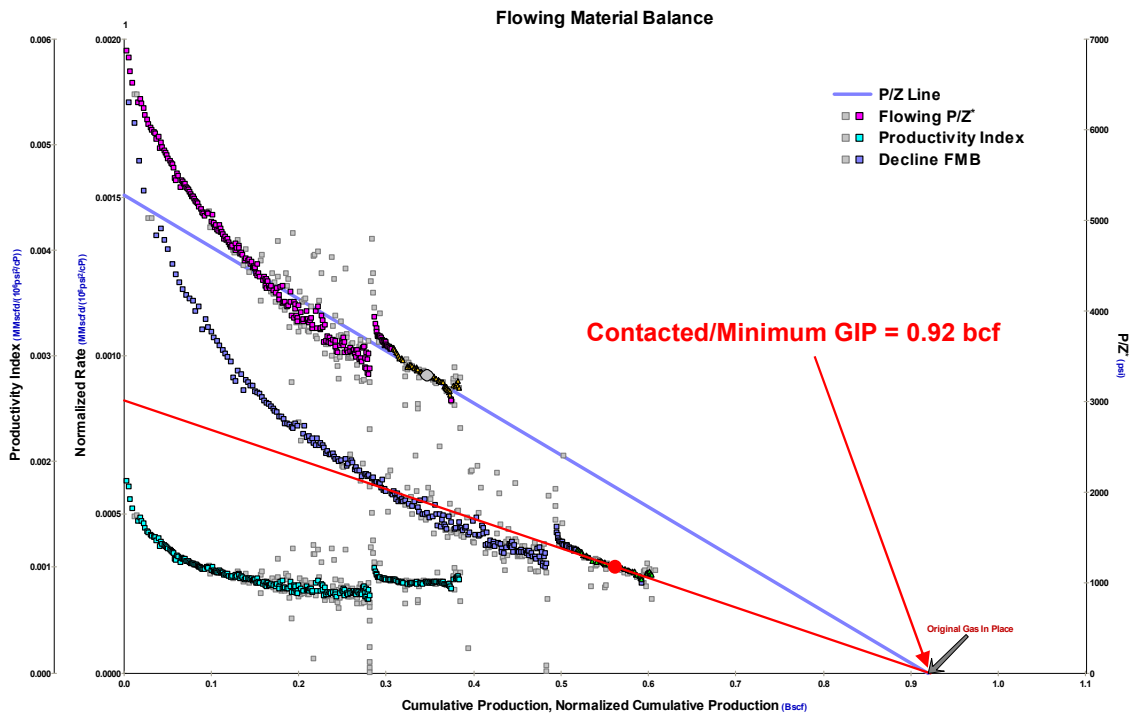
Calculations

$x_f \sqrt{k}$	30.927	md ^{1/2} ft
k	0.0004	md
x_f	1500,000	ft



Step 3: Flowing Material Balance

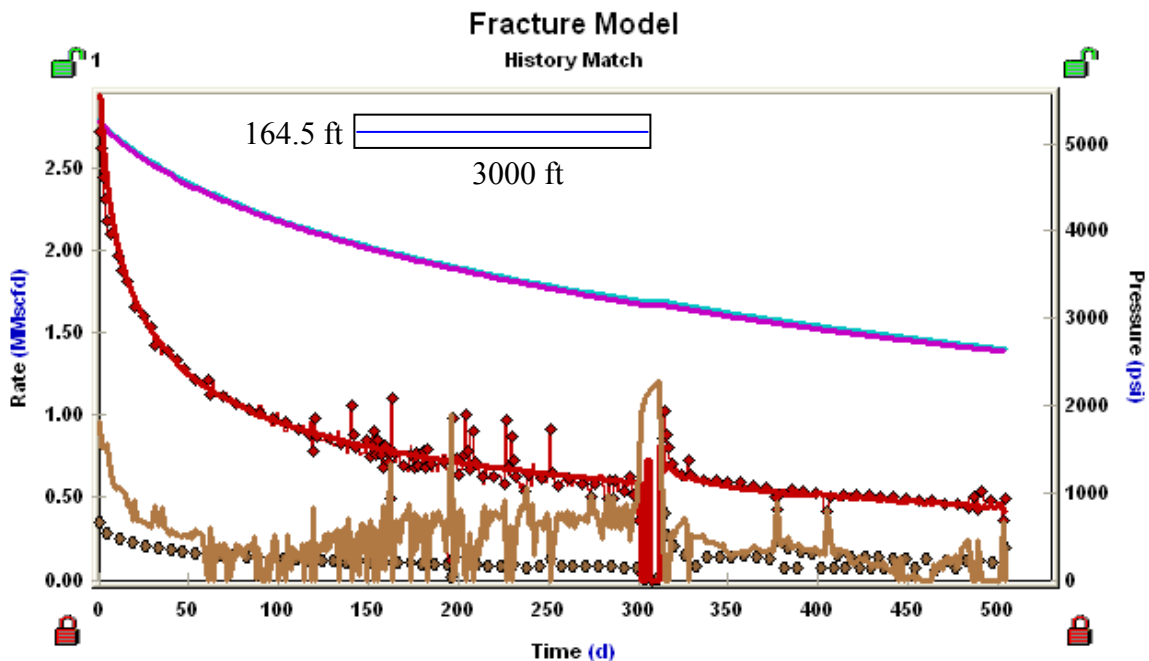
FMB is a technique that assumes the late-time data is in boundary dominated flow and therefore points towards an original-gas-in-place. For data that is suspected to be transient, the FMB module is still useful in that it provides an estimate of minimum (or contacted) gas-in-place.



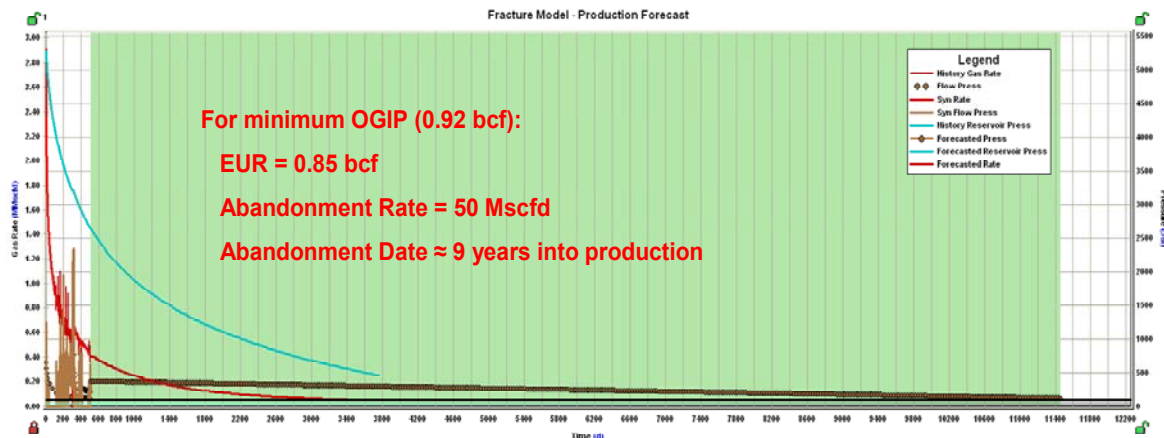
Step 4: History Matching

Analytical modeling using a Fracture Model is the final step in the interpretation of the data. Honoring the results from **Step 2**, input 1500 ft for x_f (half the completed lateral length of the horizontal wellbore) and the k determined in **Step 2**. Input a small value for skin, s_c (say 1.0), to account for the intercept of the \sqrt{t} straight line of **Step 2**. The boundaries of the reservoir are then set so that the flow regimes progress from linear flow directly to boundary dominated flow. To accomplish this, the reservoir length (x_e) is set to be exactly twice that of the fracture half length. The reservoir width (y_e) is adjusted to a value corresponding to the minimum-gas-in-place arrived at from the FMB method (**Step 3**). The fracture is positioned in the center of the model (as indicated by x_w and y_w). Optimize the Model by iterating on k and s_c . In this example, it can be seen that only a minor change to k is required to obtain the best history match (from 0.0004 md to 0.0003 md) as presented in the figure below. Thus, the $x_f\sqrt{k}$ from **Step 2** is honored. These optimized parameters are used to generate the first history match of the pressure and rate data.

Radial		Fracture	Horizontal	Water Drive	Composite	Multi Layer
<div style="display: flex; justify-content: space-between;"> D Ψ \pm P q qP </div>						
Reservoir						
P_i	5300.0	psi				
k	0.0003	md				
x_f	1500.000	ft				
s_c	0.372					
$s(t)$						
S_L						
D		1.0MMscfd				
Boundaries						
x_e	3000.000	ft				
y_e	164.500	ft				
x_w	1500.000	ft				
y_w	82.250	ft				
OGIP		0.920	Bscf			
Area		11.33	acres			



Forecasting from this optimized model and using the **minimum** gas-in-place yields an EUR of 0.85 bcf as shown in the figure below.

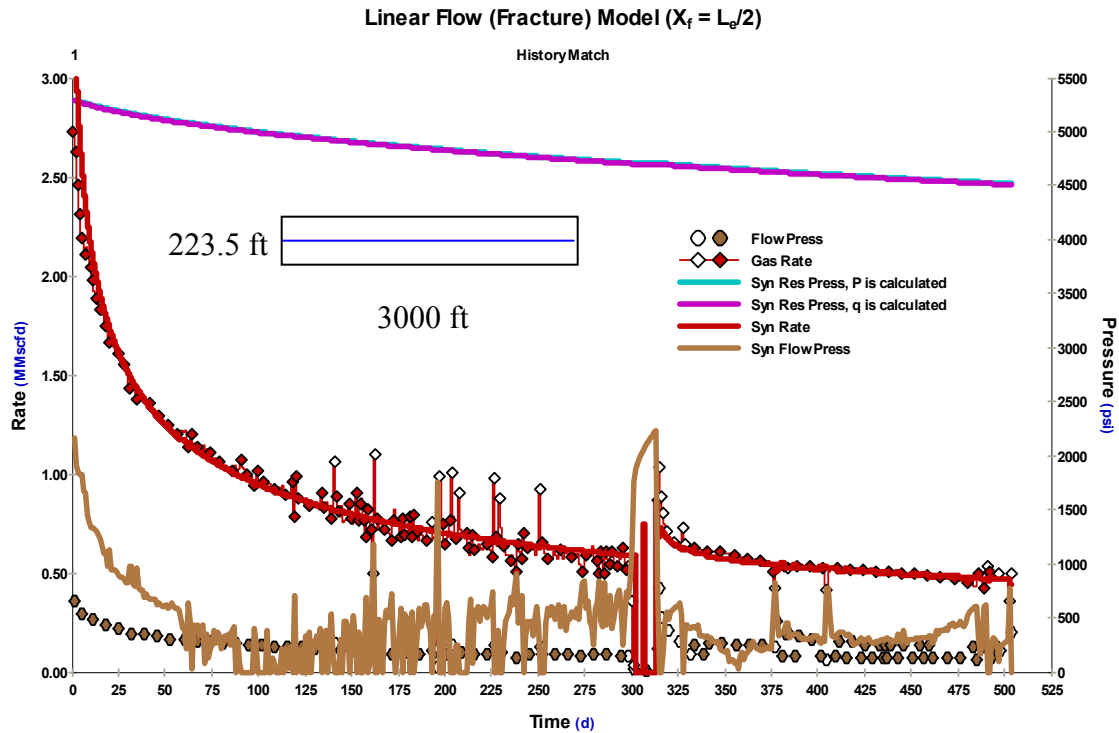


Step 5: Determine EUR as a function of OGIP

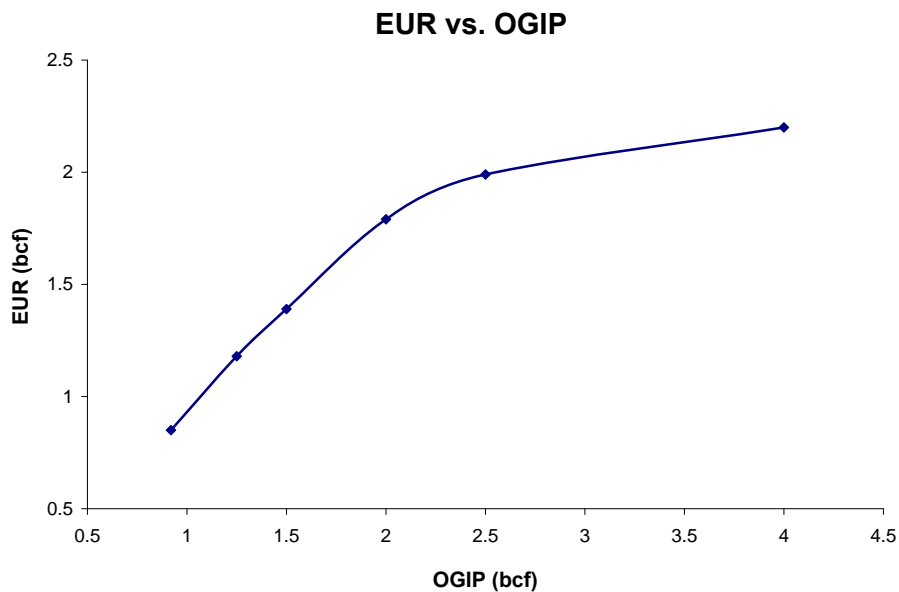
Assuming the well is still in linear (transient) flow, recoverable reserves cannot be uniquely determined. Note also that the OGIP determined in **Step 3** (FMB), and used in **Step 4**, is the **minimum** value. Thus, it is appropriate to start with the minimum reservoir size, and progressively increase the drainage area, forecasting recoverable reserves for each case. This is done by increasing the reservoir width (y_e) to obtain larger reservoir sizes while adjusting the y_w term to maintain the central position of the fracture within the model. The maximum OGIP (or largest y_e) is based on known stimulated volumes through microseismic mapping or well spacing.

A larger reservoir size (1.25 bcf) is shown below using the same reservoir parameters [k , x_f and s_c] as the optimized model. The corresponding history match is also presented. The history match did not change for models of reservoir sizes larger than this case.

Reservoir		Boundaries	
P_i	5300.0 psi	X_a	3000.000 ft
k	2.67e-04 md	Y_a	223.500 ft
X_f	1500.000 ft	X_w	1500.000 ft
s_c	0.295	Y_w	111.750 ft
$s(t)$		OGIP	1.250 Bscf
S_L		Area	15.39 acres
D	1MMscfd		
C_D			



The following figure presents the expected ultimate recovery (EUR) of the well over 30 years as a function of drainage area size. The range in OGIP is constrained at the upper limit by well spacing or microseismic mapping (if available). This figure illustrates that incremental recovery diminishes as the drainage volume gets progressively larger (which is expected). It should be noted that this method assumes the effective permeability remains constant with increasing OGIP (which may not necessarily be the case if the effective drainage volume exceeds the stimulated zone).



Step 6: Traditional Decline

Traditional decline does not provide any additional value that is not already available using the previous workflow. However, it is useful to include this method because it is the standard by which most companies evaluate and report reserves. Use the “Modified Hyperbolic” analysis type and history match the data using a “b” value of 2 (this is equivalent to linear flow). “ D_{lim} ” can be determined from experience (5% to 10% is reasonable) or iteratively by seeking to minimize the difference between Traditional EUR and EUR provided from the above workflow.

Decline Analysis

Current Analysis Gas Analysis 1

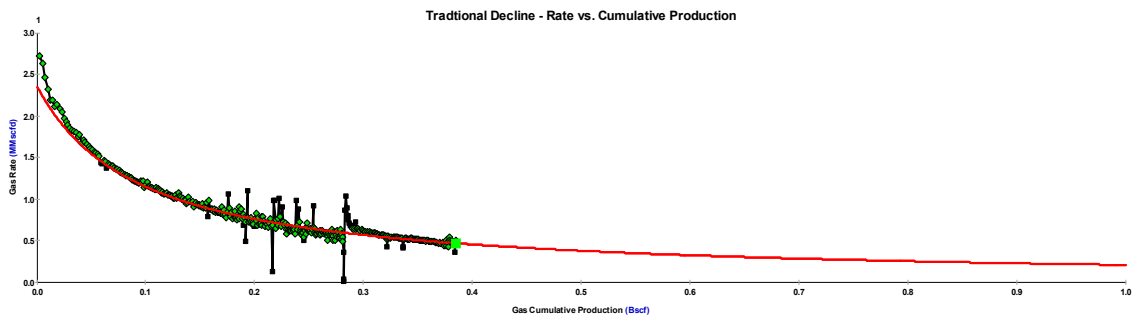
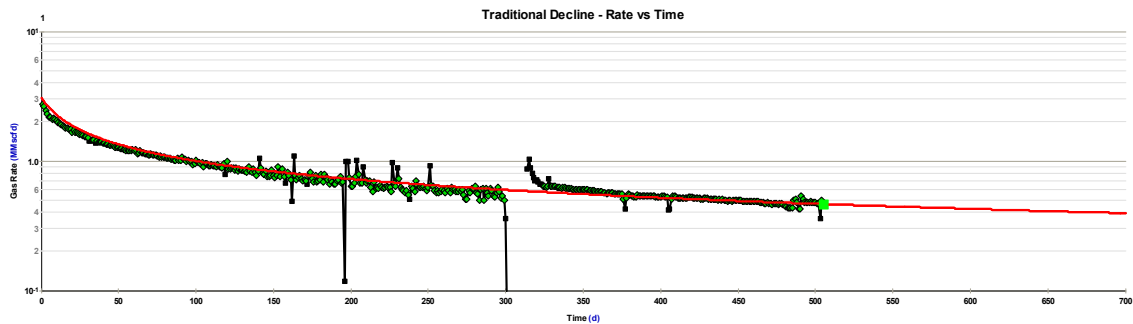
Analysis Parameters

Type Modified Hyperbolic

b	2.000	<input checked="" type="checkbox"/>
D	0.352	
D_{lim}	5.00	%
Start	505.0	d
Q_i	0.462	MMscfd
Q_r	0.385	Bscf
End	12521.3	d
Q_i	0.050	MMscfd
Q_r	2.061	Bscf

Results

E.U.R.	2.061	Bscf
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Future Development

The “Tight and Unconventional Gas Module” is scheduled for release later in 2010. The following two figures are plots which were generated using the new module. This new module will provide an easier and faster workflow for data analysis and forecasting of tight / unconventional wells exhibiting linear flow, but the same results can be achieved by following the previously presented procedure.

