# Strategic Market Analytics for Fracking

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## **Abstract**

This project prioritized fracking sites for an offshore gas company, which has limited funding. The prioritization goal is based upon 3 criterias - economic, geospatial, and media sentiment. Each of the criterias includes several sub criterias as well. In this analysis the biggest challenge was analyzing qualitative data, and in order to do so, we utilized the Analytical Hierarchy Process, which helped us find the best results that meet our goal. After applying the methods to analyze multiple drilling sites in Colorado, 18 fracking sites are successfully selected and prioritized. The methodology can be applied to other states and countries to prioritize fracking sites. It is important to note that the framework used for this project is modifiable based on clients' needs; the prioritization criterias explained above were chosen specific to our client's needs.

## **Executive Summary**

We successfully prioritized 18 fracking sites from 643 exciting wells in state Colorado based on ecological, economic and sentiment elements. During the process, unstructured data and the lack of available data are the main issues that we faced. We conduct the final analysis by four steps. Firstly, we use QGIS to load shapefile and applied differencing Algorithm. Then, we use GRASS GIS and Geospatial Analysis to find the useful quantitative data. Finally, we use AHP to select optimal drilling sites. The selected 18 fracking sites out off 643 Drilling sites in Colorado are far from park conservation areas, water conservations areas, urban areas, or earthquake faults and are close to the main highways. Wells with these characteristics will impose effect on urban areas and save transportation costs. In AHP method, ecological, sentimental and economical elements are assigned different weight and thus play different importance in determining drilling sites.

## Introduction

The objective of this prioritize drilling on existing fracking sites. Prioritization often becomes a highly subjective and intuitive notion with subjective discrete metrics based on a variety of criterias. This project focuses on a mathematical approach to prioritization by transforming the discrete and intuitive metrics into a quantifiable scale in order to generate a prioritization vector. It is important to understand that prioritization must be performed based on specific underlying criterias, and different criterias will create different priority metrics. Upon consulting with clients and external resources this project is driven by three underlying criterias: Ecological, Logistical and Sentimental. Here, Ecological criteria focuses on environmental impact and are subsequently formed from sub criterias: Faults, Groundwater reserves, and Park conservation areas. Similarly, Logistical criteria is proximity to urban areas, and highways. Lastly, Sentimental criteria looks at Local Media Reaction rather than the conventional public sentiment, which can be often biased and misleading for the purposes of this project.

Given the recent success of the U.S. fracking industry, it may be tempting to ask why prioritize a specific site if an organization already has the geological survey results. One must note that this is a *Simulated Consulting Project*, where the team has been hired to advise an offshore gas company ("client") looking to expand its business to the U.S. fracking market due to its recent success and quick turnover. However, the client has limited funding available this fiscal

year, and as such have hired our team to provide advisory in prioritizing drilling sites, in order to allocate its limited funding effectively. The advisory contract has the possibility of becoming a full contract based on the success of the prioritization proof of concept.

Our project framework is based upon *Ecological, Logistical,* and *Sentimental* factors. In order to drive the proof of concept of our prioritization metrics, the project focuses on applying the underlying framework to one state ("*Colorado*"). Upon successful application and effectiveness within Colorado, the client may choose to expand the scope to other states or nationwide. However, for this project we will only be focusing on the state of Colorado.

The results are consequential to any interested party. Within Colorado, we started with 643 wells and upon applying our framework we were able to filter out top 18 sites. Then we used our quantifiable prioritization method to develop a priority vector for the remaining 18 sites. The final results are deployed as a layer, which can be superimposed on *Google Maps / Earth* and as such requires no deployment costs. Currently the tool break the process into two steps (which can be modified based on client's requirements):

- 1. Filter Sites
- a. Based on distance to (Faults, Groundwater reserves, Park conservation areas, Urban Areas, Highways)
- 2. Prioritize filtered sites
- a. Using Analytical Hierarchical Process (AHP) a framework to

transform qualitative subjective data to quantitative while maintaining consistency.

The framework used for this project can be relevant to a variety of stakeholders. In addition to an existing gas company looking to prioritize drilling sites, landowners may find it highly relevant to value their ownership. This can be taken one step further to real-estate investment firms, who may use the land value to develop investment opportunities..

**Background** 

This project is centered around strategic market expansion of an

offshore gas company to the US fracking industry. The client company has

limited funding and our analytics team has been hired to provide advisory to

the client in prioritizing drilling sites, in order to allocate their limited funding

effectively.

Our project took a mathematical approach to generate a priority vector

rather than relying upon subjective input. The scope of the advisory was

narrowed to the state of Colorado as a proof of concept. Upon successful

application the client holds the decision to expand the scope to other states or

nationwide.

Our initial view of the project was that the implementation of analytical

tools would be the most challenging part. However, gathering of data and then

converting it into desired format has proven to be the hardest part. In brief, our

initial (or expected) work plan went through significant changes after we had

better familiarized ourselves with the essence of the problem.

**Expectations:** 

• Issue: Analyzing data

Abundant structured state and federal level data

Prediction model

• Emphasis on numbers

Reality:

Issue: Collecting data

Missing and unstructured data on all levels

• Geospatial model

• Emphasis on visuals

After the change in approach we have decided to focus our efforts on

creating an analytical tool that will be used by our client, as opposed to an

analytical report containing only numbers and recommendations. First, this

new approach would give more flexibility in regards to different applications.

Second, it would be more user-friendly for people who do not necessarily have

a technical or analytical background. Third, and perhaps most important, this

new tool would serve as a foundation for a better analytical framework for the

fracking industry. The said system, in our view, would be of great value for

decision makers within the industry due to its simplicity and at the same time

depth of analysis that can be gradually expanded in accordance with the needs

of the client.

In other words, we started with a vision of a report that would only serve

our clients once, but we ended up with an analytical tool that, if modified, can

potentially fulfill given tasks over a long period.

## **Description of Work**

## **Initial Data Exploration**

Due to the lack of consistent data, we switched on to Geographical Information Systems (GIS). GIS data are normally in the form of Shapefiles (.shp). These shapefiles are based on longitude and latitudes / Zipcodes and can be projected upon a map using any GIS software.

For the purpose of this project we will be using two free GIS tools:

- Quantum GIS
- Grass GIS

As discussed previously we will be looking at the GIS data for the state of Colorado for the following aspects:

- Ecological:
  - o Groundwater Reserves
  - o Park conservation Areas
  - o Earthquake faults
- Economic:
  - o Urban Areas
  - o Highways

Also, we will look at Sentiment data (discussed later in the report) for the selected wells in the state of Colorado

#### • Sentiments:

o Media Reaction

The following Screenshots show the five GIS dataset that are going to be used.

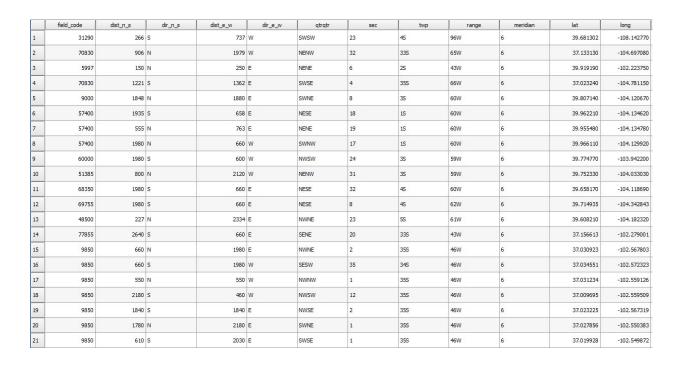


Fig 1.1: Attribute table of all the Wells in the state of Colorado

	LGID	SOURCE	LGNAME	LGTYPEID	LGSTATUSID	ABBREV_NAM	MAIL_ADDRE	ALT_ADDRES	MAIL_CITY	MAIL_STATE	MAIL_ZIP
	01045	Hybrid Adams 3	Central Adams C	12	1	Central Adams C	1641 California S	c/o Miller & Assoc	Denver	со	80202
1	01021	Retrieved from A	South Adams Co	12	1	South Adams Co	6595 E 70th Ave	PO BOX 597	Commerce City	со	80037
	18025	Douglas County	Centennial Wate	12	1	Centennial Wate	62 West Plaza Dr		Highlands Ranch	со	80129
	35006	Larimer County f	Estes Park Sanita	10	1	Estes Park Sanita	PO Box 722		Estes Park	со	80517
	03014	Arapahoe Public	Cherry Creek Vill	11	1	Cherry Creek Vill	7995 E Prentice	CRS of Colorado,	Greenwood Village	со	80011
	03063	Arapahoe Public	Sheridan Sanitati	10	1	Sheridan Sanitati	390 Union Blvd.,	c/o Collin Cockrel	Denver	со	80228
	03070	Arapahoe Public	South Arapahoe	10	1	South Arapahoe	8390 E. Crescent	c/o Clifton Larso	Greenwood Village	со	80111
	03027	Arapahoe Public	Cherryvale Sanit	10	1	Cherryvale Sanit	1221 West Miner	c/o Haynie & Co	Littleton	со	80120-4544
	03061	Arapahoe Public	South Englewood	10	1	South Englewood	PO Box 2858	c/o Donald E. Ma	Centennial	со	80161
	64129	Hybrid Arapahoe	Southgate Sanita	10	1	Southgate Sanita	3722 East Orcha		Centennial	со	80121
	03159	Arapahoe Public	Goldsmith Gulch	10	1	Goldsmith Gulch	8390 E. Crescent	c/o Clifton Gunde	Greenwood Village	со	80111-2814
	64080	Arapahoe Public	Inverness Water	12	1	Inverness Water	2 Inverness Driv	c/o Mulhern MRE	Englewood	со	80112
	64027	Hybrid Arapahoe	Bow Mar Water	12	1	Bow Mar Water	1221 West Miner	c/o Haynie & Co	Littleton	со	80120-4544
	64077	Arapahoe Public	Holly Hills Water	12	i	Holly Hills Water	141 Union Boulev		Lakewood	со	80228-1898
	03028	Arapahoe Public	City of Cherry Hil	10	1	City of Cherry Hil	3333 South Bann		Englewood	со	80110
	65156	Hybrid Arapahoe	Castlewood Wat	12	1	Castlewood Wat	4725 South Mon	c/o Icenogle Sea	Denver	со	80237
	03055	Arapahoe Public	Hillcrest Water &	12	1	Hillcrest Water &	7995 E Prentice	c/o Community R	Greenwood Village	со	80111
	03057	Arapahoe Public	Mansfield Height	12	1	Mansfield Height	7995 E. Prentice	c/o Community R	Greenwood Village	со	80111
	03105	Arapahoe Public	Cherry Creek Vall	12	1	Cherry Creek Vall	2325 S. Wabash		Denver	со	80231
	03038	Hybrid Arapahoe	East Cherry Cree	12	1	E. Cherry Cr. Vall	6201 South Gun		Aurora	со	80016
	64110	Hybrid Arapahoe	Platte Canyon W	12	1	Platte Canyon W	8739 West Coal		Littleton	со	80123

Fig 1.2: Attribute table of all the Water Reserves in the state of Colorado

	LGID	SOURCE	LGNAME	LGTYPEID	LGSTATUSID	ABBREV_NAM	MAIL_ADDRE	ALT_ADDRES	MAIL_CITY	MAIL_STATE	MAIL_ZI
	64119	Hybrid Larimer 4	Estes Valley Recr	7	1	Estes Valley Recr	PO Box 1379		Estes Park	со	80517
	03059	Arapahoe Public	Orchard Hills Met	7	1	Orchard Hills Met	1700 Lincoln St S	c/o Spencer Fane	Denver	со	80203
	03087	Arapahoe Public	Arapahoe Park &	7	1	Arapahoe Park &	16799 East Lake		Centennial	со	80016
	30028	DOLA CTF 04-14	Foothills Park & R	7	1	Foothills Park & R	6612 S. Ward Str		Littleton	со	80127
	09005	DOLA CTF 04-14	Cheyenne Wells	7	1	Cheyenne Wells	PO Box 9		Cheyenne Wells	со	80810-0009
	10004	DOLA CTF 04-14	Clear Creek Metr	7	1	Clear Creek Metr	PO Box 1149		Idaho Springs	со	80452-1149
	30016	DOLA CTF 04-14	Columbine Knolls	7	1	Columbine Knolls	6191 West Plymo		Littleton	со	80128
	01102	DOLA CTF 04-14	Bennett Park and	7	1	Bennett Park An	P.O. Box 379		Bennett	со	80102
	03015	DOLA CTF 04-14	Cherry Creek Vis	7	1	Cherry Cr. Vista	PO Box 4610		Parker	со	80134
0	05010	DOLA CTF 04-14	Springfield Metro	7	1	Springfield Metro	PO Box 214		Springfield	со	81073
1	05018	DOLA CTF 04-14	Vilas Metropolita	7	1	Vilas Metropolita	PO Box 601		Vilas	со	81087
12	22022	DOLA CTF 04-14	Penrose Park & R	7	1	Penrose Park & R	415 4th Ave		Penrose	со	81240
13	05022	DOLA CTF 04-14	Walsh Metropolit	7	1	Walsh Metropolit	PO Box 614	500 E. Oak	Walsh	со	81090
14	05026	DOLA CTF 04-14	Campo Park & Re	7	1	Campo Park & Re	PO Box 59		Campo	со	81029
15	25005	DOLA CTF 04-14	Fraser Valley Met	7	1	Fraser Valley Met	PO Box 3348		Winter Park	со	80482
16	25013	DOLA CTF 04-14	Grand Lake Metr	7	1	Grand Lake Metr	PO Box 590		Grand Lake	со	80447-0590
7	30023	DOLA CTF 04-14	Evergreen Park	7	1	Evergreen Park	1521 Bergen Pkwy		Evergreen	со	80439-7925
8	30057	DOLA CTF 04-14	Leawood Metrop	7	1	Leawood Metro	P.O. Box 620802		Littleton	со	80162
9	46013	DOLA CTF 04-14	Loghill Village Par	7	1	Loghill Village Par	180 Ponderosa Dr		Ridgway	со	81432
0	62074	DOLA CTF 04-14	Carbon Valley Pa	7	1	Carbon Valley Pa	701 Fifth Street		Frederick	со	80530
21	62104	DOLA CTF 04-14	Thompson Rivers	7	1	Thompson Rivers	110 South Cente		Milliken	со	80543

Fig 1.3: Attribute table of all the Park Reserves in the state of Colorado

		ftype	mappedscal	secondarys	slipsense_	fault_id	section_id	azimuth	cooperator	length	CFM_URL	FACODE	URL_OLD
1	1	Well constrained	250			1 2386	a	356	Utah Geological S	24.70102627000	http://geohazard	12	http://geohazard
2	1	Well constrained	250			1 919		140	Bureau of Econo	1.51695245000	http://geohazard	15	
3	2	Moderately const	250			1 919		342	Bureau of Econo	1.79046471000	http://geohazard	25	
4	1	Well constrained	250			1 992		205	Arizona Geologic	11.45415261000	http://geohazard	15	http://geohazard.
5	1	Well constrained	250		8	1 992		216	Arizona Geologic	10.20412559000	http://geohazard	15	http://geohazard.
5	3	Inferred	250			1 919		324	Bureau of Econo	16.19149775000	http://geohazard	35	
7	3	Inferred	250			1 919		182	Bureau of Econo	1.95152140000	http://geohazard	35	
В	1	Well constrained	250			2 2316		148	Colorado Geologi	3.41091655000	http://geohazard	13	http://geohazard
9	3	Inferred	250		8	1 622		325	U.S. Geological S	24.60686071000	http://geohazard	35	
10	2	Moderately const	250			1 735		31	GEO-HAZ Consul	6.89988802000	http://geohazard	25	http://geohazard.
11	1	Well constrained	250			1 1550		10	Piedmont Geosci	42.64502675000	http://geohazard	15	http://geohazard
12	1	Well constrained	250			1 1610		327	Piedmont Geosci	28.17098737000	http://geohazard	15	http://geohazard
13	1	Well constrained	250		8	1 1513		351	Piedmont Geosci	2.55957054000	http://geohazard	13	http://geohazard.
14	1	Well constrained	250			1 1430		355	Piedmont Geosci	5.06449759000	http://geohazard	15	http://geohazard.
15	2	Moderately const	250			1 1346		23	Piedmont Geosci	70.04038539000	http://geohazard	23	http://geohazard
16	1	Well constrained	250			1 1686		8	Piedmont Geosci	40.55664695000	http://geohazard	15	http://geohazard
17	1	Well constrained	250		8	1 1006		45	Arizona Geologic	4.13460463000	http://geohazard	14	http://geohazard.
18	1	Well constrained	250			3 141	a	194	U.S. Geological S	1.21741691000	http://geohazard	12	http://geohazard.
19	2	Moderately const	250			1 1686		7	Piedmont Geosci	29.60177234000	http://geohazard	25	http://geohazard.
20	1	Well constrained	250			1 1635		351	Piedmont Geosci	7.92348138000	http://geohazard	15	http://geohazard
21	2	Moderately const	250		8	1 1346		43	Piedmont Geosci	5.19916426000	http://geohazard	23	http://geohazard

Fig 1.4: Attribute table of all the Faults in the state of Colorado

	LINEARID	FULLNAME	RTTYP	MTFCC
1	1104474838228	I- 70 Business Lp	I	S1200
2	1104474953659	I- 70 Business Lp	I	S1200
3	1104474838225	I- 70 Business Lp	I	S1200
4	1104474953660	I- 70 Business Lp	I	S1200
5	1104977739397	I- 70 Business Lp	I	S1200
6	1104474838227	I- 70 Business Lp	I	S1200
7	1104474838226	I- 70 Business Lp	I	S1200
8	1104977739398	I- 70 Business Lp	I	S1200
9	1104259080442	N Hwy 50 Busine	М	S1200
10	1104474984061	State Hwy 13 Byp	S	S1200
11	1104472830261	Wadsworth Byp	М	S1200
12	1104474984060	State Hwy 13 Byp	s	S1200
13	1104472827712	Wadsworth Byp	М	S1200
14	1104472827759	Wadsworth Byp	м	S1200
15	1104474984059	State Hwy 13 Byp	s	S1200
16	1104469767419	US Hwy 34 Byp	U	S1200
17	110755376188	I- 70 Bus	I	S1200
18	1104259114336	I- 70 Bus	I	S1200
19	1104259508972	I- 70 Bus	I	S1200
20	1104742588567	I- 70 Bus	I	S1200
21	1104742588575	I- 70 Bus	I	S1200
22	110454604994	US Hwy 385 Bus	U	S1200

Fig 1.5: Attribute table of all the Major Roads in the state of Colorado

	UACE 10	AFFGEOID 10	GEOID 10	NAME 10	LSAD10	UATYP10	ALAND10	AWATER 10
1	04087	400C100US04087	04087	Auburn, NE	76	С	5204595	0
2	86653	400C100US86653	86653	Taos, NM	76	С	41537873	0
3	70156	400C100US70156	70156	Plattsburgh, NY	76	С	67103610	948468
4	35515	400C100US35515	35515	Greenwich, NY	76	С	4536217	35372
5	41779	400C100US41779	41779	Irrigon, OR	76	С	4457305	0
6	87058	400C 100US87058	87058	Temple, TX	75	U	140175267	500208
7	41644	400C100US41644	41644	Iowa Park, TX	76	С	7556077	187040
8	11755	400C100US11755	11755	Burlington, VT	75	U	159958092	2716845
9	74746	400C100US74746	74746	Richmond, VA	75	U	1275291571	22275832
10	15076	400C 100US 15076	15076	Centralia, WA	76	С	81796394	746235
11	17524	400C100US17524	17524	Clearwood, WA	76	С	3409084	829947
12	50986	400C100US50986	50986	Logan, WV	76	С	20845400	963872
13	03034	400C100US03034	03034	Arecibo, PR	75	U	217723163	1595322
14	55063	400C 100US 55063	55063	Marshall, WI	76	С	3640009	187143
15	98020	400C100US98020	98020	Yuma, AZCA	75	U	152431440	483414
16	62407	400C100US62407	62407	New Haven, CT	75	U	792593469	15833342
17	67134	400C100US67134	67134	Palm CoastDay	75	U	463874984	29662605
18	16885	400C100US16885	16885	Cincinnati, OHK	75	U	2040246270	24610635
19	96697	400C 100US96697	96697	Winter Haven, FL	75	U	347914570	80368989
20	40321	400C100US40321	40321	Houghton Lake, MI	76	С	23060340	854071
21	29089	400C100US29089	29089	Fargo, NDMN	75	U	181901122	131153
22	48043	400C100US48043	48043	Laurel, MS	76	С	50402225	89204

Fig 1.6: Attribute table of all the Urban Areas

This data was projected onto the map using Quantum GIS. The map looked as following for each of the attribute table.



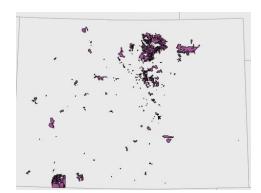


Fig 2.1: All well sites in the state of Colorado

Fig 2.2: All Water Conservation in the state of Colorado

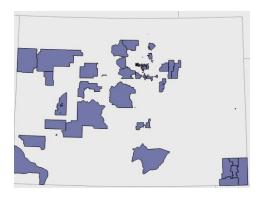
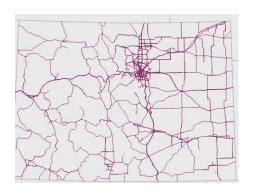




Fig 2.3: All Park Areas in the state of Colorado

Fig 2.4: All Fault Areas in the state of Colorado



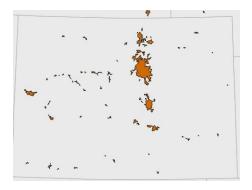


Fig 2.5: All Major Roads in the state of Colorado

Fig 2.5: All Urban Cities in the state of Colorado

#### **Data Setup**

Once all the data has been loaded into QGIS it is necessary to set them to same Coordinate Reference System (CRS). A spatial reference system (SRS) or coordinate reference system (CRS) is a coordinate-based local, regional or global system used to locate geographical entities. A spatial reference system

defines a specific map projection, as well as transformations between different spatial reference systems. It is necessary to set them all to the same CRS because while using spatial algorithms like differencing different CRS can lead to incorrect Results.

We set them all to the same CRS of World Aizmuthal Distance, one of the most commonly used CRS for spatial Analysis. To set the CRS the following steps can be followed.

- 1. Right Click on the layer whose CRS has to be set
- 2. Click on Set Layer CRS
- 3. Select World Aizmuthal Distance from the pop up box below

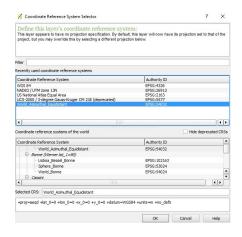


Fig 3.1: Coordinate Reference System Selector

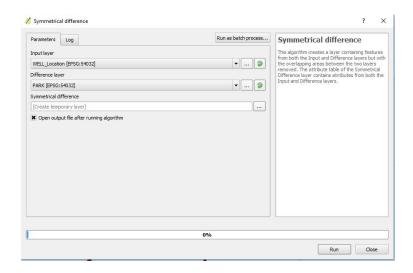
## **Data Analysis**

Once the CRS is set we can move ahead and start applying the spatial analysis. For the Park and Water Conservation areas we use the differencing

algorithm to remove the sites which are within their boundaries.

#### For Differencing Algorithm:

Go to Vector > GeoProcessing tools > Symmetrical Differencing



Select the Input area as the well location and the Difference layer as the
 Park layer. In the input box below select save to file. Click on Run.

#### The output is as following:

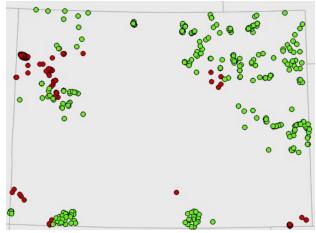


Fig 3.2: The wells left after Differencing are in Green

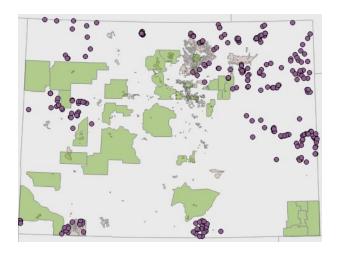


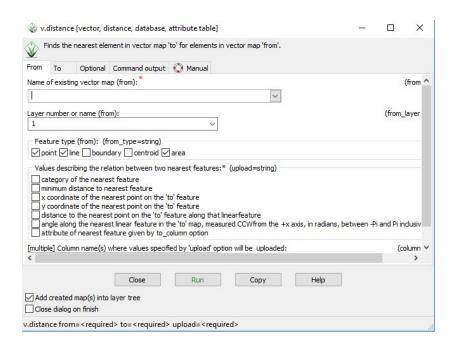
Fig 3.3 : After Differencing with Park and Water Conservation Areas

This helped us to come down to 299 filtered fracking sites which were not in Park and Conservation areas. After this we went to filter locations away from Earthquake faults. For this we use the Distance Algorithm which is based on the Nearest neighbor analysis. The algorithm tries to find the nearest neighbor from the start point and the shortest distance between the two.

To find the distances we use GRASS GIS:

- Select Vector > Nearest Element
- In From field select the layer which has been created in the above steps
- In the To field select the Faults layer
- Select feature as point for From field and line feature for To field
- Select value as distance
- Put in the column name where the distance value has to stored

#### • Run the Algorithm



After calculating the distances from all the three features of Faults, Highways and Urban Areas we get the following.



Fig 3.3: Distance Calculation

After filtering for Farthest distance from Faults and Urban Cities and Proximity to Highways we are left with 18 of the best sites for Fracking.

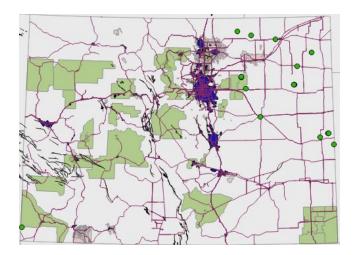


Fig 3.18 Map of the 18 Filtered Fracking locations

Once we had the fracking location we had to prioritize them. For this we also took into consideration the Media Reactions which was in the city/area of the site.

## Sentiment Analysis

We created a Python tool using Selenium and Beautifulsoup to create an automation tool that scrapes the main headlines of data in the particular area of the above 18 filtered website.

Once we have obtained the articles we used AFIN-111 tools to get a sentiment score for the media reactions.

These media reactions are then used to calculate priority scores using the AHP model.

```
In [92]: import os
    from selenium import webdriver
    import urllib.request
    from bs4 import BeautifulSoup as bs

for x in z:
    # try:
        print(x)
        chromedriver = "/Users/abhinavchandel/Desktop/chromedriver"
        os.environ["webdriver.chrome.driver"] = chromedriver
        driver = webdriver.Chrome(chromedriver)
        driver.get("http://bing.com")
        element = driver.find_element_by_id("sb_form_q")
        element.send_keys(x)
        driver.find_element_by_link_text("News").click()
```

```
#driver.implicitly_wait(5000)

url=driver.current_url

request = urllib.request.Request(url)
response = urllib.request.urlopen(request)
data = response.read()
response.close()

soup = bs(data)

par.extend(soup.findAll("a", { "class" : "title" }))
print(len(par))
for x in range(0,len(par)):
    print(par[x].get_text())
```

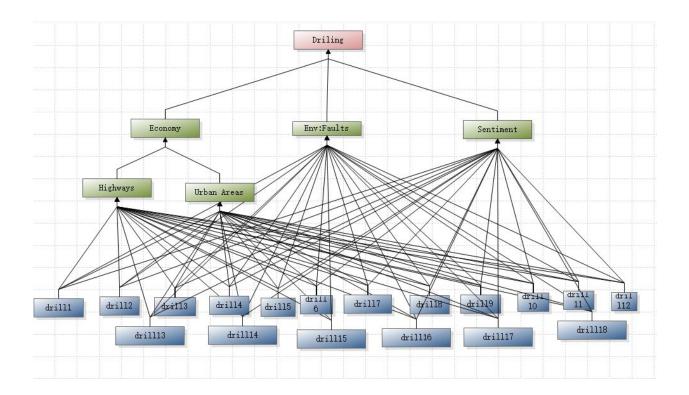
The above python script uses selenium to go to the bing news section by sending the key "Area" Oil Wells. All the news headlines are then scraped and a list of headlines is created for that particular area. These headlines are then put into an online AFIN-111 sentiment analysis tool to get a net sentiment score which is used to create a 18\*18 matrix for AHP analysis.

#### **AHP analysis**

The AHP model is a way of selecting alternatives by using Mathematics and Judgement. It uses pairwise comparisons to prioritize Alternatives and Criteria. The AHP model includes a Goal which needs to be fulfilled based on

certain criteria and sub criteria. Based on some number of criteria we can select Alternatives and create a Priority vector.

The below diagram shows the Initial structure of the model:

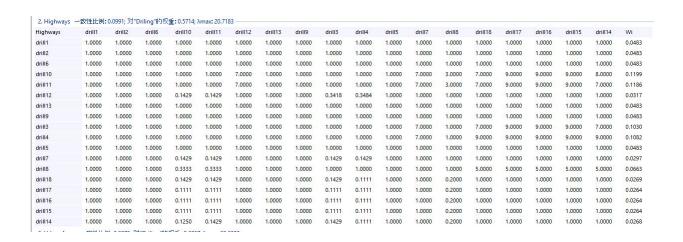


The Goal here is to select optimum drilling/fracking locations. The Criteria on which it is based are broadly classified as Economic, Environmental and Sentiments. There are two sub criteria for Economy – Highways and Urban Areas. The final layer consist of the 18 filtered Alternatives.

Based on the judgements and knowledge obtained during our Secondary Research, we provided the following scores to the matrix below:

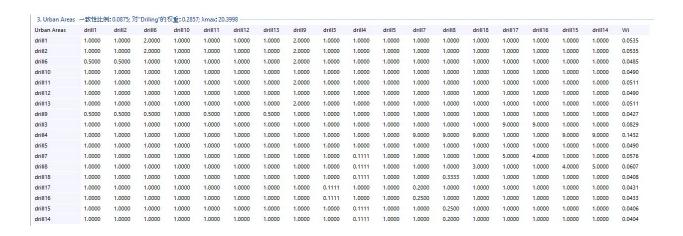
	Economy	Env:Faults	Sentiment
Economy		1/7	1/4
Env:Faults			4
Sentiment			

This means Environment are 7 times more important than Economy and Sentiments are 4 times more important than Economy and Environment is 4 times more important than Sentiments.



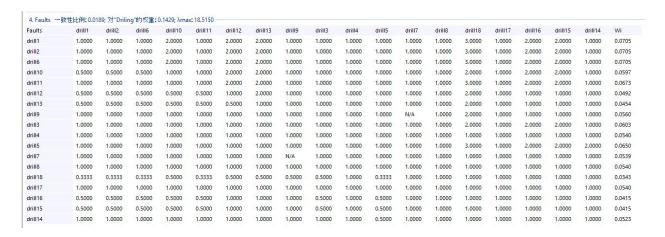
#### Highways: Closer the better

To do a pairwise comparisons for the Highway criteria we took ratios of each distance value with every other value. So if Drill site 'X' is 'Z' times away from Drill site 'Y' then Drill site 'Y' is 'Z' times more important then Drill site 'X'.



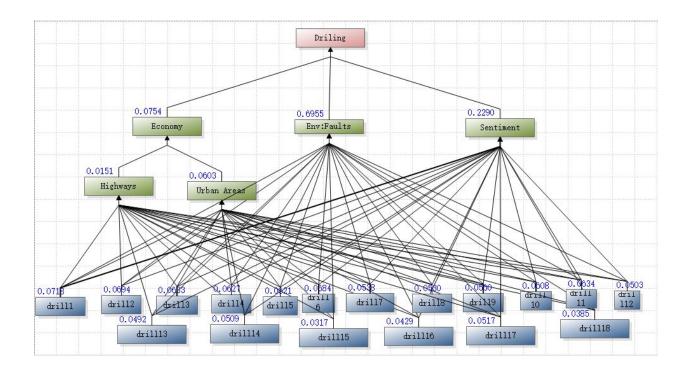
#### Urban Areas: Farther the better

If Drill site 'X' is 'Z' times away from Drill site 'Y' then Drill site 'X' is 'Z' times more important then Drill site 'Y'.



#### Faults: Farther the better

If Drill site 'X' is 'Z' times away from Drill site 'Y' then Drill site 'X' is 'Z' times more important then Drill site 'Y'.



After running the algorithm we get the following weights.

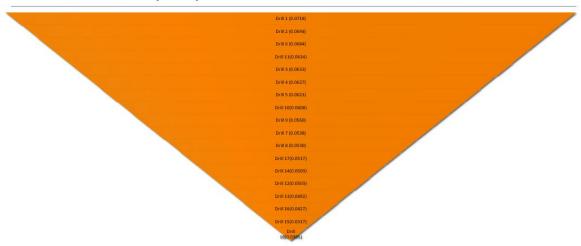
## The Prioritization stairs



So Ecological factors are 9x more important than Economical and Sentimental are 3x more important than Economic factors.

The final priority vector looks is shown below:

# The Priority Pyramid.



The above priorities for each of the alternative are created by pairwise comparisons of each of the alternatives based on the defined criterion.

## **Conclusion**

After a thorough and all scale analysis of the issue we have created a flexible tool with a strong potential for future applications. While working on this project we had to solve several issues such as:

- Data conversion. Numerical data had to be transformed into the form
  of shapefiles in order to face the requirements of our geospatial
  software tools.
- Prioritization of factors. Details that influence decision making for choosing of a drilling location had to be determined to formulate the framework of our model.
- Data collection. The data we used came for various sources and was initially unstructured and messy.

The resulted model has several advantages for entities within the field:

- Flexibility in regards to changing objectives. Based on the client's
  focus in either PR/ ESR/Cost and so on, the alternatives can change.
  Thereby, the selection of the Geospatial data and also the priority vector
  will assign different weights to the factors depending on the goals of
  the company.
- Zero cost of visual deployment. No need of expensive geospatial
  visualization software as the output is delivered in the form of KML files
  and can be presented in Google Earth or in the form of heat
  maps/locations on QGIS.

- Removed dreadlock by weighted mathematical factors. Similar placed
  wells can be separated by priority vectors backed by data. Often location
  can be extremely close to each other and it becomes difficult to select
  one of the two just by normal qualitative inspection. Because of the
  weights, assigned by the model, small changes such as distances can
  have larger impacts in the priority value.
- Reduction of time in collecting quantitative data. A lot of time is spent on collecting structured quantitative data, which can be reduced as our model takes qualitative data and converts them into quantitative data. These qualitative data is easily available on state and federal level open data sources.
- PR team can focus on the lower weighted factors. Sustained fracking activity attracts negative attention from all corners and it is impossible to track and solve all of them. The prioritized vector tells us which factors are giving least importance and the team can move bottom up on lookout of such negative attention.
- Precautions against negative public sentiment. We are also aware of the sentiments in the area where drilling needs to be done, which can help the client take precautionary steps to protect its public image.

Although we only covered only one state in our work, the model's flexibility allows it to work with the data from any region within the country -

and beyond. As it can process geospatial data from around the planet, the deliverables will change accordingly. A larger scale model that will be able to analyze data on a national or even global level will be based upon similar principles - conversion of qualitative data into quantitative form, creation of shape files and building of an AHP flow. Resulting priority vector will keep the same structure as the one presented in our work, except for its scale. Similarly, more inside information can be analyzed to determine new factors and assign weights to them which, in return, will make the model more precise and hence more attractive for the potential clients.

Overall, this work demonstrates the plethora of tools that can and should be used for better decision making within the fracking industry.

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