Synthesis of Denver-Julesburg Basin Production (1999-2019) A Data Science Approach

Abandonment Rate Prediction Modelling Production Likelihood In a Well's Lifecycle

A Capstone Project in Fulfillment of Springboard's Data Science Career Track Program

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1. ABSTRACT / PROBLEM STATEMENT

The Denver-Julesburg (DJ) Basin is a mature oil and gas producing province centered in southeastern Wyoming and northeastern Colorado. The earliest production occurred in 1901 with the drilling of the McKenzie well which led to the discovery of the Boulder Oil Field in Boulder County Colorado (Wikipedia). The Wattenberg Field, discovered in 1970, is one of the top 10 largest oil and gas fields in the United States, according to the Energy Information Agency (Sonnenberg, 2019). It has been revitalized in the last ten years by the success of horizontal production in the Codell and Niobrara Formations. However, weak commodity prices and investment uncertainties over the past few years coupled with increasing costs of collecting and/or subscribing to geological, geochemical, and engineering datasets and software have put operators under increasingly difficult financial pressures.

A great deal of perspective can be gained by examining the plethora of free publicly available data and by using open source software. Such questions as the average well lifecycle span, the most productive target formations by location, the optimal lateral length (in the case of horizontal wells) and spacing, and expected ultimate recovery prediction can be ascertained. In this paper, the author uses a 'top-down' approach based on historic well production behavior to investigate whether it is possible for a given well A and for a given point X in its life cycle, to predict the probability of its permanent abandonment in the next N years. Only publicly available data sources are used, primarily data from the Colorado Oil and Gas Conservation Commission (COGCC). This approach is in contrast to more traditional techniques using subscription and proprietary data.

Python APIs, geospatial and statistical analysis, and machine learning techniques are used to synthesize, classify, and predict horizontal and vertical well performance in the basin. The approach employs the building of segmentation use cases, in which geo-located data points are generated that describe and classify the well's behavior. The segments are created based on economic, geologic, and engineering criteria. These segments can then be used as either ranked categories and/or further used to synthesize, classify, and predict horizontal well performance in the basin.

For those prospectors working the area with proprietary data available to them, insight gathered from this type of analysis can be used as a complement to traditional methods, providing an independent, higher level look at the basin to optimize development strategy and recovery enhancement.

Data Description

The primary data for this study were obtained from the Colorado Oil and Gas Conservation Commission. These data were downloaded via the following link:

https://cogcc.state.co.us/data2.html#/downloads

Production reports ranging from 1999 to 2020 are available in comma separated format. See listing below:

Production Data *

Production Summaries ▶

All Production Reports Received By Year ▼

Data Dictionary for Production Files

1999 Production Report:	Zip file (3.62 mb)	CSV file (32.3 mb)
2000 Production Report:	Zip file (8.49 mb)	CSV file (66.0 mb)
2001 Production Report:	Zip file (7.05 mb)	CSV file (55.1 mb)
2002 Production Report:	Zip file (9.93 mb)	CSV file (70.7 mb)
2003 Production Report:	Zip file (13.8 mb)	CSV file (95.2 mb)
2004 Production Report:	Zip file (11.1 mb)	CSV file (82.5 mb)
2005 Production Report:	Zip file (12.4 mb)	CSV file (86.5 mb)
2006 Production Report:	Zip file (13.1 mb)	CSV file (91.0 mb)
2007 Production Report:	Zip file (13.9 mb)	CSV file (97.0 mb)
2008 Production Report:	Zip file (15.2 mb)	CSV file (106 mb)
2009 Production Report:	Zip file (19.7 mb)	CSV file (109 mb)
2010 Production Report:	Zip file (18.8 mb)	CSV file (107 mb)
2011 Production Report:	Zip file (20.6 mb)	CSV file (120 mb)
2012 Production Report:	Zip file (25.4 mb)	CSV file (164 mb)
2013 Production Report:	Zip file (17.2 mb)	CSV file (117 mb)
2014 Production Report:	Zip file (19.9 mb)	CSV file (136 mb)
2015 Production Report:	Zip file (18 mb)	CSV file (138 mb)
2016 Production Report:	Zip file (26.0 mb)	CSV file (156 mb)
2017 Production Report:	Zip file (18.1 mb)	CSV file (139 mb)
2018 Production Report:	Zip file (21.0 mb)	CSV file (135 mb)
2019 Production Report:	Zip file (20.8 mb)	CSV file (136 mb)
2020 Production Report:	CSV file	

Production and Sales by County (1999 - Present) - Database Search Oil and Gas Production by County (1995 - 2000)

These 22 separate production reports comprise over 2 GBytes of time-series data documenting monthly oil, water, and gas production for each actively producing well in Colorado over that time period.

A list of each of the 33 attributes contained in these files is provided in the Appendix 9.1.

In addition, well surface locations, directional bottomhole locations, and directional line shapefiles were downloaded to provide pertinent well attribute, geometry, and location information. Only information for existing wells (no undrilled locations) were included in the study.

GIS *

Shapefiles ▼

Well Surface Location Data (Updated Daily) ▼

February 25, 2019 - An additional attribute field was added to the Well Spots (APIs) download: Stat_Date - the date of the latest facility status-code update. Automated download/ingestion scripts may need to be updated. If you have questions, please contact Chris Eisinger or Dennis Ahlstrand.

Well Spots (APIs)(10 Mb) - metadata

Active and plugged wells - including active and expired well permits

Well Permits (300 Kb) - metadata

Active well permits

Pending Well Permits (20 Kb) - metadata

Well permits that are in process and not yet approved

Directional Well Data (Updated Daily) ▼

Prior to January 1, 2012, straight-line wellbore traces (from surface hole locations to corresponding bottom hole locations) were automatically generated for directional and horizontal wells. The generated wellbore traces do not represent the true wellbore path. After January 1, 2012, directional lines have been generated using operator-submitted well survey information.

Directional Bottom Hole Locations (1 Mb) - metadata

Actual and planned bottom hole locations

Directional Lines (5 Mb) - metadata

Actual and planned directional wellbore survey surface projections

Pending Directional Lines (1 Mb) - metadata

Pending directional wellbore surface projections are from Forms 2, 4, and 5 that HAVE NOT been been verified or approved

This data should be used with caution!

A list of each of the attributes contained in these files is provided in the Appendix 9.2 - 9.4.

State and county boundaries were obtained from the Database of Global Administrative Areas (GADM.org) website using the following link:

https://gadm.org/download country v3.html

PLSS township and section boundaries were obtained from the Bureau of Land Management via the following links:

https://data.doi.gov/dataset/plss-township

https://data.doi.gov/dataset/blm-colorado-plss-first-division

All shapefiles were loaded into QGIS, an open source GIS package, for display and visual analysis. Information and software downloads for QGIS can be obtained from the following link:

https://www.qgis.org/en/site/

The map below shows the distribution of wells contained in the shapefiles and the area of interest boundary chosen for the study. A total of 71116 well surface entities were present within the AOI at the inception of this project on February 17, 2020. All existing horizontal wells within the DJ Basin in Colorado (shown in lavender) were included.

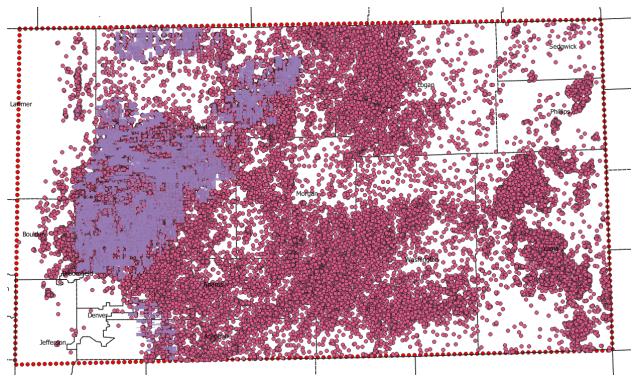


Fig 1: The study area boundary is shown by the dotted red outline. Red dots show the location of the 71116 wells included in the study. Lavender lines show the subsurface traces of the horizontal wells.

Structural depth and thickness attributes for the Niobrara and Codell units and regional faults were obtained from georectification and digitization of maps found in published literature (Milne, 2014) (Higley and Weimer, 2003). The maps (saved as .tif files) were loaded into QGIS and georectified into the project's projection system using county line corner point coordinates for registration. The fault traces and contour line features were then digitized in QGIS to create new line features. The fault shapefile was then used as an engineering feature to determine if proximity of a well to a fault affects its performance. The structural and thickness contours were loaded into LandMark's ZMap mapping package (the only licensed software package used in this study) to convert the contours to meshgrids. The resulting grids have a 500 meter grid increment and cover almost all of the area of interest. The grids were then loaded into geopandas for analysis and comparison with the well shapefile information. These grids were sampled to the well locations to be used as engineering features.

All spatial data for the study is defined in CRS EPSG 6342 (NAD83(2011) / UTM Zone 13N / Meters, which is consistent with the original shapefile information downloaded from the COGCC.

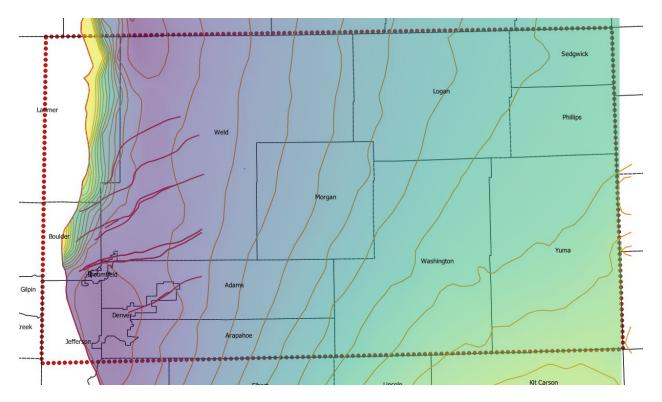


Fig 2: Digitized fault traces shown by red lines, including the basin-bounding thrust fault to the west. Brown lines are digitized structural contours. Colorfill indicates the structural depth of the resulting meshgrid (Top Niobrara structure).

Monthly spot prices for WTI (West Texas Intermediate Oil) were downloaded from the Energy Information Agency at this address:

https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=pet&s=rwtc&f=m.

Monthly Henry Hub natural gas spot prices were downloaded from the Energy Information Agency at this address:

https://www.eia.gov/dnav/ng/hist/rngwhhdM.htm.

2. DATA WRANGLING

A good amount of data wrangling and cleansing were required to prepare the data for analysis. The primary data issues found were: 1) typographical errors; 2) missing values; 3) duplicated records in the production spreadsheets; 4) differences in unique well identifier (API) formatting and difficulties associating the correct sidetrack numbers (API with 10 digits) in the production records with the parent API8 (API with 8 digits) in the surface shapefile; 6) N-COM production assignments in the first few months of a well production which needed reassignment to the correct producing formation; and 5) other inconsistencies between the surface, bottomhole, and production datasets. Many of these issues required a first pass at cleansing, merging, and comparison to identify, so the process was an iterative one. The following section describes the steps taken during the data wrangling and cleansing process.

Reading data into Pandas DataFrames

With all but a few exceptions, the production report files were formatted and named similarly, so the 'glob' module of python could be used for batch loading using Jupyter Notebook. The 22 separate files were then appended together into one large pandas dataframe, and a separate list was loaded to define the column labels. The resulting raw dataframe (allproddf) consisted of 12,922,083 rows and had a file size of over 3.2 GBytes.

The three shapefile datasets and an area of interest polygon were loaded into a separate Jupyter notebook using the geopandas module. Each of the three resulting geo-dataframes were then clipped to the area of interest polygon. The procedure was to iterate through the x, y coordinates (geometry) for each well. If the well's coordinates fell within the area of interest polygon, it was added to a shortlisted API well list. This list was then used to filter those wells into new subsetted geo-dataframes. These three new filtered geo-dataframes were also written out to new filtered shapefiles for later merging with the production information. The WELL.SHP file resulted in the gdf_surf_aoi dataframe. The DIRECTIONAL_BOTTOMHOLE_LOCATIONS.SHP file resulted in the gdf_bh_aoi dataframe. And finally the DIRECTIONAL_LINES.SHP file resulted in the gdf_dirlines dataframe.

An important feature contained in the gdf_surf_aoi dataframe was the ground elevations of the wells. Many of these values were missing and were required to calculate the correct bottomhole subsea bottomhole depth of the wellbore. This required an additional iteration step (See the Missing Values section below).

Consistent API Formatting

The API number is the unique well identifier and a key attribute shared between datasets. However, the format of the attribute varied between the datasets, so reformatting was required. For example, the API was parsed into separate attributes of 'api_county_code', 'api_seq_num', and 'sidetrack_num' in the production dataset and these attributes were defined as integers. In the shapefiles, the API was an object padded with leading zeros. In the WELLS shapefile, the value was limited to 8 digits, while the other shapefiles included two additional digits (sidetrack number) appended on the end. The API attribute was converted to integers with the leading zeros in the county code removed to match the production dataframe. The 8 digit API in the WELLS shapefile was renamed to API8, and two API attributes were created in the production dataframe, an API column and an API8 column.

Production Data Redundancy

There was some redundancy between the separate yearly production reports which resulted in duplicate rows for the same API and date, once merged. These were removed by subsetting on the date, API, and formation_code attributes and dropping the duplicates. The last row was kept with the assumption that the earlier records appended to the file first are superceded by corrected information from a later date. This brought the resulting dataset down to 11,910,725 rows. The formation_code attributes needed some subsequent re-formatting to remove variants, so the de-duplication process was run a second time after to remove additional duplicates due to these formation_code variants (See Categorical Variables section below).

Handling Datetime

Separate month and year attributes in the production dataset needed to be converted to a datetime series. These separate attributes were converted to strings and the month attribute was padded with a leading zero. Initial qc of the month column indicated one row with an erroneous month value of '0', which was preventing the conversion to a datetime series from completing successfully. This row (116971) was for a well outside the study area boundary, so was dropped. Then the 'Date' attribute could be successfully created to a datetime series and the dataframe indexed using this series. End-month???

The Stat_Date and Spud_Date attributes in the WELLs shapefile also needed conversion to datetime. The replacement of two erroneous Stat_Date values of '3019-12-19' and '2029-09-06' had to be corrected to '2019-12-19' and '2019-09-06' respectively. Erroneous Spud_Date values with years of '2029', '2109' and '2108' were also corrected to 2019 and 2018 respectively in 6 wells.

In addition the prod_days attribute was converted to a timedelta dtype for direct comparison with a calculated feature 'total elapsed production time'.

Categorical Variables

The formation_code and well_status attributes are important categorical identifiers and had varying formats which had to be corrected. Lowercase and mixed case strings were all converted to uppercase. Trailing spaces in the formation_codes were removed. This brought the number of unique well_status categories down from 15 to 9 and the number of unique formation_code categories down from 155 to 100. Both fields were converted from objects to categoricals.

It was noted during analysis of the formation_code attribute, that the code 'N-COM' is assigned to early production in many of the wells, prior to an actual formation assignment. To get more accurate production volumes by formation_code, the N-COM code was reassigned to the actual formation ('fm_code_realloc') where known. Other wells having a formation_code of N-COM throughout their production history were left intact.

Missing Data

Approximately 3000 wells were missing important Ground_Ele information in the surface location shapefile. This attribute is crucial to calculating the bottomhole depth (TVDSS) values for the wellbores. The missing ground elevations were imputed using the Shapely nearest_points, Point, and MultiPoint functions for Python. The location of the nearest wells with a ground_elevation was taken to impute the value.

Additionally, some monthly production records for producing wells were missing. These were imputed using a rolling moving average value from the available monthly production data for those wells.

Outliers

A few outliers were identified in the TVD attribute max and min ranges, which needed correction to calculate accurate TVDSS values. Five wells were found with extraordinarily large values of 73699, 77018, 82090, and 70993250. Fortunately, the correct values could be ascertained by querying the COGCC's COGIS on-line database. Examination of the correct TVD values for those wells indicated that they should be clipped at the first 4 digits. One extraordinarily small value of -4553 was corrected to a positive value after confirmation with the online COGIS database. Other outliers were values of 0,7,150,217, and 558 in directional wells with MDs of over 7000 ft and were revised to the MD of the well.

There are far too many vertical wells with Max_MD = 0 to correct properly. These were excluded from the TVDSS calculation.

19 horizontal wells were mistakenly identified as well_type_cat of 'Vertical'. These were identified by their extraordinarily large Max_MD values. They were re-categorized to well_type_cat' = 'Horizontal'.

44 wells had an incorrect Facil_Stat which did not correspond to the production records and well_status assignment from the production records. For instance, a 'DA' well (drilled and abandoned) that had known production through to the end of the production records was corrected to 'PR'. And other wells assigned as 'DG' (Drilling), 'XX' (Permitted Location), and 'AL' (Abandoned Location) with current known production were also corrected to 'PR'.

38 rows in the production dataframe had prod_days greater than 31 days, which is impossible for one month. These were reset to the maximum number of days in the month.

Monthly reported water volumes for many wells were extraordinarily and unrealistically large. Many of these wells were actually injection wells in which the injected water volume has been systematically entered into the same water volume fields as produced volumes. For this reason, injection wells were removed from the dataset (183 vertical and directional wells). Other unusually large monthly water volumes for 10 producing wells were found to be data entry errors and were replaced with values consistent with the production in that well from past and future months.

Merging DataSets

The production time-series dataframe was merged with the gdf_surf_aoi geodataframe using an inner join to produce a datetime dataframe subsetted to only producing wells within the AOI boundary.

The dataframe was also joined with the bottomhole location geodataframe (gdf_bh_aoi) to obtain the bottomhole locations and other pertinent attributes of the deviated and horizontal boreholes. This join was performed in a left fashion to maintain the complete list of producing wells.

Removing Unwanted Columns and Renaming Others

Unnecessary columns were dropped and the remaining columns were re-organized to bring the most pertinent and key attributes to the left side of the dataframes. Additional feature attributes were calculated that were pertinent. These features will be discussed in the Feature Engineering section of this report.

Final Production TimeSeries DataFrame

The final production time-series dataframe (Prod_DT_Series_Final_WQuantileRank) has a total of 6,393,783 rows and 85 columns and is over 3.5 GBytes in size. A slice of the dataframe is shown below. A full list of the attributes is provided in section 9.5 of the Appendix.

Date	API	API8	sidetrack_num	well_type_cat	Oper_Cur_Num	Oper_Cur_Name	Oper_Hist_Num	Oper_Hist_Name	Well_Title	Ground_Ele
2012- 12-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10338	CARRIZO OIL & GAS INC	4-28-11-3- 64 WEP	5579.0
2013- 01-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10133	HILCORP ENERGY COMPANY	4-28-11-3- 64 WEP	5579.0
2013- 02-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10439	CARRIZO NIOBRARA LLC	4-28-11-3- 64 WEP	5579.0
2013- 03-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10338	CARRIZO OIL & GAS INC	4-28-11-3- 64 WEP	5579.0
2013- 05-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10338	CARRIZO OIL & GAS INC	4-28-11-3- 64 WEP	5579.0
2013- 06-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10439	CARRIZO NIOBRARA LLC	4-28-11-3- 64 WEP	5579.0
2013- 07-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10439	CARRIZO NIOBRARA LLC	4-28-11-3- 64 WEP	5579.0
2013- 08-01	10975301	109753	01	Horizontal	10646	AXIS EXPLORATION LLC	10338	CARRIZO OIL & GAS INC	4-28-11-3- 64 WEP	5579.0

Fig 3: Slice of final production time-series dataframe

Final Rollup DataFrame

To gather statistics for each well and perform further exploratory analysis on non-time-series features associated with each well, a rollup dataframe was created. The final rollup dataframe (rollup_prodhead_final) has 49,280 rows (the number of unique wells and producing formation pairs in the final production time-series dataframe) and 66 columns and is 21.8 MBytes in size. A slice of the final rollup dataframe is shown below.

See the Feature Engineering section for more discussion on the attributes within this dataframe. A full list of the attributes is provided in section 9.6 of the Appendix.

	API	API8	API_County	well_type_cat	well_type_cat2	Oper_Cur_Num	Oper_Cur_Name	Oper_Hist_Num	Oper_Hist_Name	Field_Code	Field_Name	UTM_X_SF	UTM_Y_SF
0	10502900	105029	1	Vertical	Non-Horizontal	72085	PETRO- CANADA RESOURCES (USA) INC	94090	WALSH PRODUCTION INC	60000.0	NOONEN RANCH	590719	4403657
1	10504400	105044	1	Vertical	Non-Horizontal	72085	PETRO- CANADA RESOURCES (USA) INC	94090	WALSH PRODUCTION INC	60000.0	NOONEN RANCH	591032	4404791
2	10507000	105070	1	Vertical	Non-Horizontal	95620	WESTERN OPERATING COMPANY	96155	WHITING PETROLEUM CORP	9000.0	BUSY BEE	575649	4406679
3	10524200	105242	1	Vertical	Non-Horizontal	10330	INVESTMENT EQUIPMENT LLC	39150	HEARTLAND OIL & GAS COMPANY	5050.0	BADGER CREEK	607081	4412874
4	10526300	105263	1	Vertical	Non-Horizontal	59100	MONAHAN* REX FAMILY TRUST	59100	MONAHAN* REX	54800.0	MIDDLEMIST	603503	4413136
5	10528900	105289	1	Vertical	Non-Horizontal	10330	INVESTMENT EQUIPMENT LLC	39150	HEARTLAND OIL & GAS COMPANY	5050.0	BADGER CREEK	607060	4413880
6	10529900	105299	1	Vertical	Non-Horizontal	10330	INVESTMENT EQUIPMENT LLC	39150	HEARTLAND OIL & GAS COMPANY	5050.0	BADGER CREEK	607063	4414081
7	10532100	105321	1	Vertical	Non-Horizontal	46290	KP KAUFFMAN	46290	K P KAUFFMAN COMPANY INC	39350.0	IRONDALE	561199	4414081

Fig 4: Slice of final rollup-dataframe,

3. EXPLORATORY DATA ANALYSIS

The three final dataframes produced during the data wrangling process were used to conduct visual and exploratory analysis. The main purpose of this phase was to: 1) quality check the data, and identify outliers and issues requiring further data cleaning and wrangling; 2) gather general statistical information, identify correlations and trends, and develop insights about the wells and their production characteristics; and 3) begin to build a basis for predicting future well behavior.

All plotting was done within Jupyter notebooks using either matplotlib or the plotnine ggplot package for python.

Rollup DataFrame EDA

In the analysis of the surface location shapefile, we found that there were 71116 surface locations within the study area. Analysis of the rollup dataframe for all the wells listed in the production spreadsheets indicates that there are a total of 37116 unique wells listed with entries in those spreadsheets over the 21 years analyzed. This suggests that more than half of the wells existing in the study area have been in production over the 1999 - 2019 time period, although as will be shown in the following bar charts, some of these wells are of a status that suggests they have not yet produced.

The bar chart below provides a breakdown of the number of producing wells by county within each of the 16 counties included within the study area. Clearly the bulk of the producing wells are in Weld County, where the giant Wattenberg Field exists.

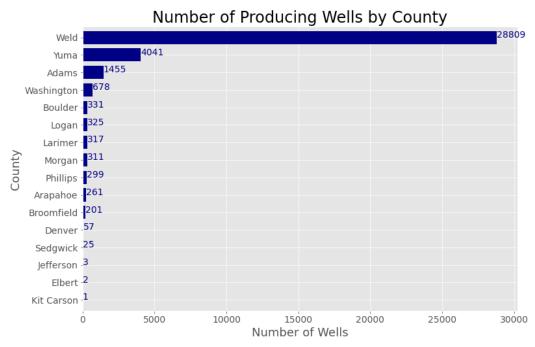


Fig 5: Horizontal bar chart showing the count of producing wells by county from 1999 through 2019 within the study area.

The following barchart shows a breakdown of the type of wells producing within the study area. The bulk of wells producing over the 21 year time period are non-horizontal wells.

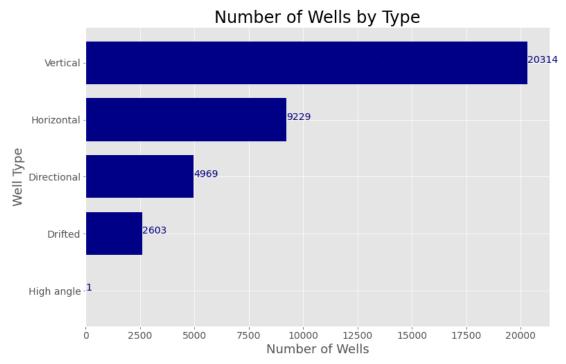


Fig 6: Horizontal bar chart showing the count of producing wells by well type (horizontal vs vertical and near vertical variants).

The following barchart shows a breakdown of the type of each well's final status. The bulk of wells are still actively producing.

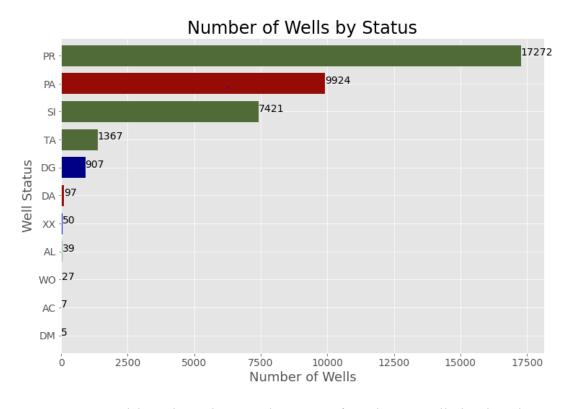


Fig 7: Horizontal bar chart showing the count of producing wells by their last status. Those shaded in green are considered active. Those shaded in red are considered abandoned and those shaded in blue are in progress (permitted, drilling, active location, etc.)

Each well was also tagged with an 'Active' or 'Abandoned' flag, given it's status. The breakdown of active versus abandoned wells is shown in Figure 8 below.

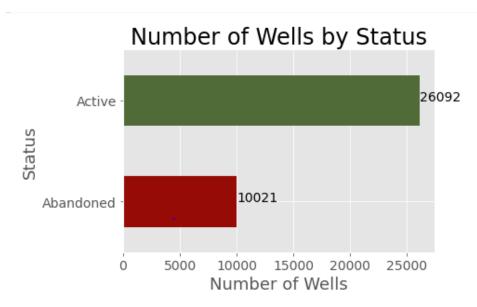


Fig 8: Horizontal bar chart showing the count of producing wells by active or abandoned category. Wells with final status of 'DA' or 'PA' have gotten an abandoned flag (1). Wells with final status of 'PR', 'SI', 'TA', 'WO', or 'DM' have gotten an active flag (0). Wells with final status of 'DG', 'XX', 'AL', or 'AC' were not included in the count.

The following stacked horizontal bar chart shows a breakdown of producing wells by well type (horizontal or vertical) and active / abandoned category. There is a much larger percentage of abandoned vertical wells than there are horizontal wells. In fact, only 120 horizontal wells have been abandoned in the study area.

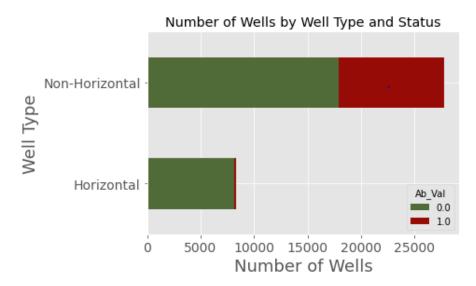


Fig 9: Stacked horizontal bar chart showing the count of producing wells by well type and active (0) or abandoned (1) category (color-coded).

The following horizontal bar chart shows a breakdown of operators by producing well count. The top 20 producers are shown.

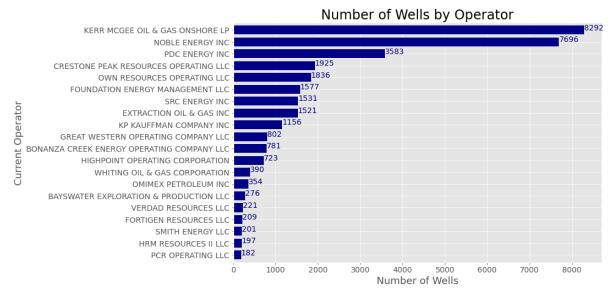


Fig 9: Horizontal bar chart showing the count of producing wells by current operator, with the top 20 most common operators shown.

Need to add in additional stacked bar charts showing production by unit and well type and scatter plots of production by unit.

QGIS Map-Based EDA

Need to work on this section.

Time Series DataFrame EDA

The time series provides an excellent data source for reviewing the production information over time. Figure 5 shows the total production of gas, oil, and water over the time period provided in the production spreadsheets. Production of all entities has increased over time. A noticeable steep increase in oil and gas production can be seen in 2014. The oil and water rates then decline over the 2015 to 2017 time period with gas production flattening. Since 2017, production of all fluids have risen sharply.

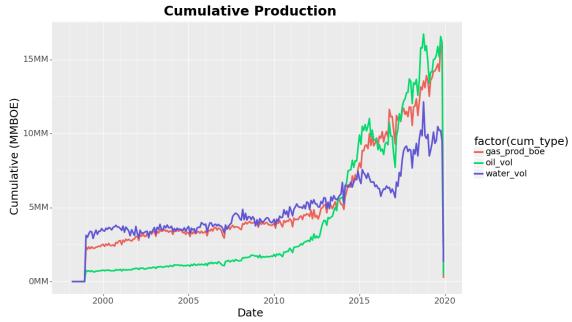


Fig 10: Cumulative production of gas, oil and water (MMBOE) over the production file time period (1999-2019).

Figure 11 shows the same information, but with the production entities stacked.

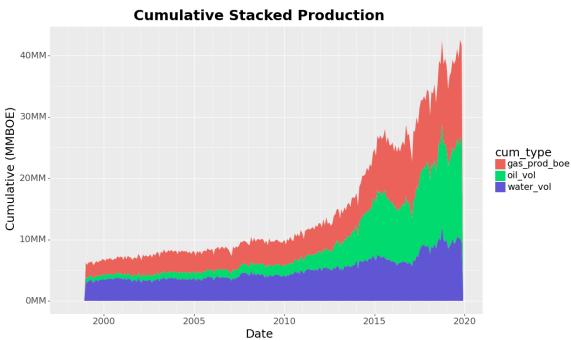


Fig 11: Cumulative Stacked Production of gas, oil and water (MMBOE) over the production file time period (1999-2019).

The following two figures show the total production over time for all non-Horizontal and Horizontal wells broken out separately. The same y-axis scale has been used as in Figure 6 above to understand the relative production from these 2 well type categories as a part of the total production.

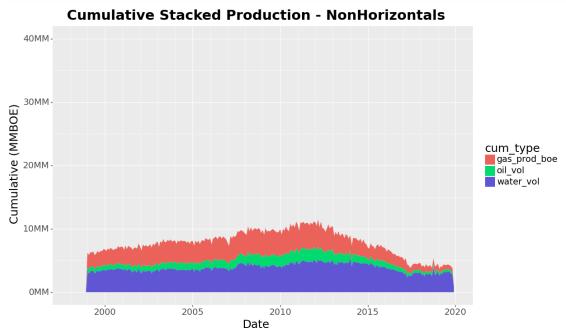


Fig 12: Cumulative Stacked Production of gas, oil and water (MMBOE) for non-Horizontal wells over the production file time period (1999-2019).

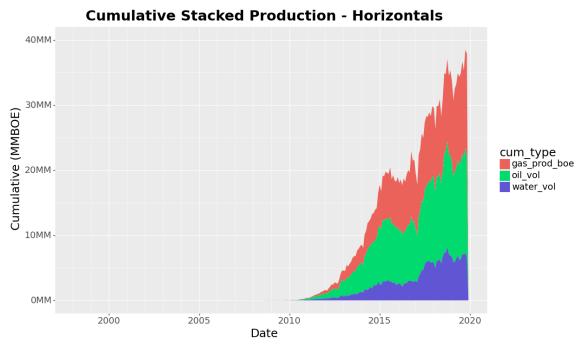


Fig 13: Cumulative Stacked Production of gas, oil and water (MMBOE) for Horizontal wells over the production file time period (1999-2019).

These plots indicate that non-Horizontal production peaked toward the end of 2011 and has continued to decline since that time, while horizontal production, since its inception in 2010, has quickly grown to account for the majority of the fluid produced over the last five years.

The same cumulative stacked production plots were also created for the non-Horizontal and Horizontal well population by producing formation. Figure 14 below indicates that the JSND and

NB-CD units have accounted for the majority of the production from non-horizontal wells in the study area. CODL production peaked in 2007 and has been declining since that time, but this has been compensated by the increasingly common practice of commingling Niobrara and Codell production together (NB-CD). The latter peaked near the end of 2012 and has continued to decline. Note also the substantial amount of water production from the JSND and DSND, and the very low oil production (mostly gas) in the NBRR non-horizontals.

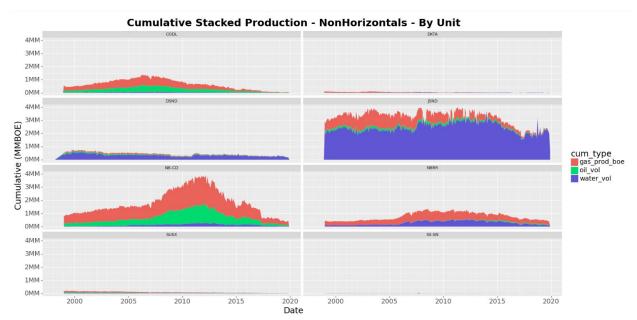


Fig 14: Cumulative Stacked Production of gas, oil and water (MMBOE) for non-Horizontal wells over the production file time period (1999-2019) grouped by producing formation.

Figure 15 below indicates that the NBRR unit is by far the largest producing unit from the horizontal well population. The CODL production is quite small in contrast.

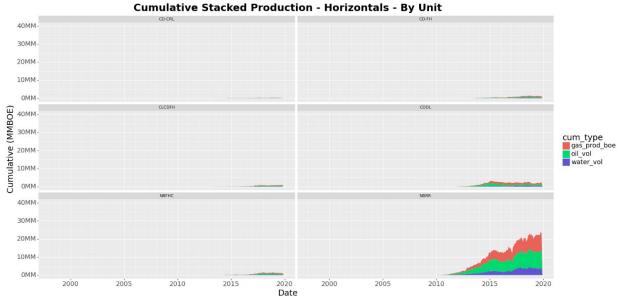


Fig 15: Cumulative Stacked Production of gas, oil and water (MMBOE) for Horizontal wells over the production file time period (1999-2019) grouped by producing formation.

The stacked plots below contrast further the NBRR, CODL and NB-CD production broken out by well type.

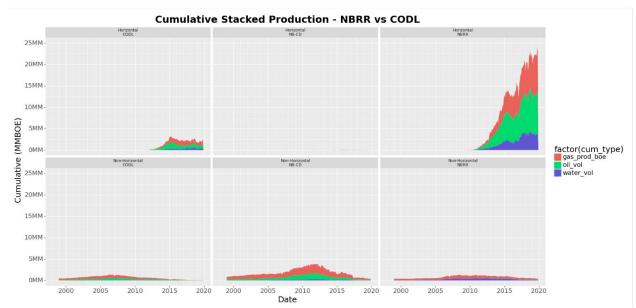


Fig 16: Cumulative Stacked Production of gas, oil and water (MMBOE) for all NBRR and CODL producing wells over the production file time period (1999-2019) grouped by producing formation and well type (Horizontal and Non-Horizontal).

To understand the production decline trends in both the NBRR and CODL by individual horizontal wells, the production was broken out by quintiles, first using the first 6 months initial production (with first 3 months production removed). For each quintile, the production was then plotted for each well over time starting with the first month of production. The values were also averaged for each quintile. (Need the count of wells in each quintile)

NBRR Horizontal 5th Quintile Production

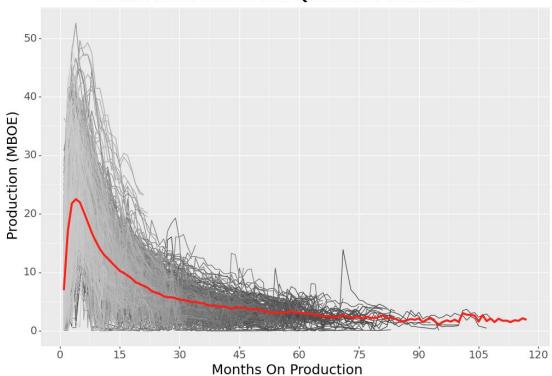


Fig 17: NBRR 5th Quintile Production by Well Since First Month. Red line is average of all wells by month.

NBRR Horizontal 4th Quintile Production

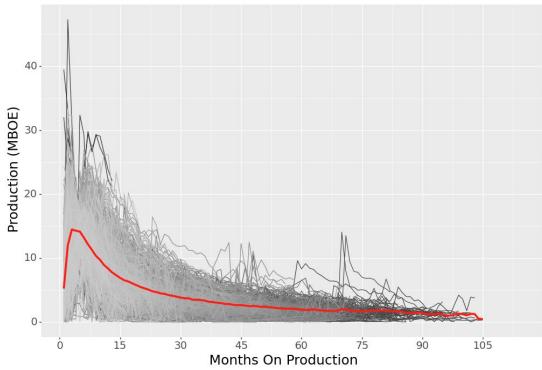


Fig 18: NBRR 4th Quintile Production by Well Since First Month. Red line is average of all wells by month.

NBRR Horizontal 3rd Quintile Production

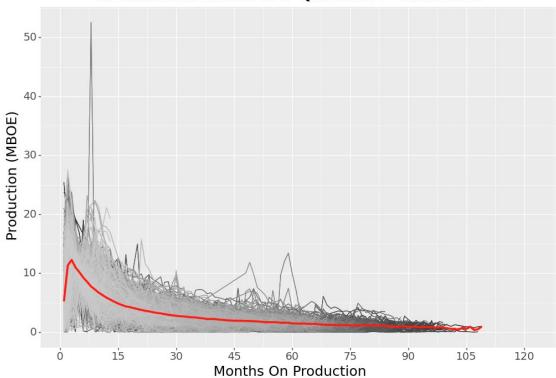


Fig 19: NBRR 3rd Quintile Production by Well Since First Month.Red line is average of all wells by month.

NBRR Horizontal 2nd Quintile Production

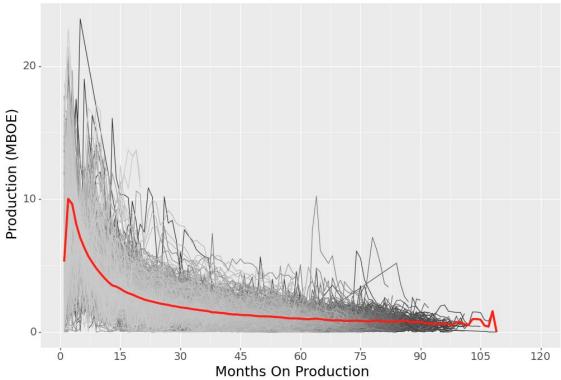


Fig 20: NBRR 2nd Quintile Production by Well Since First Month. Red line is average of all wells by month.

NBRR Horizontal 1st Quintile Production

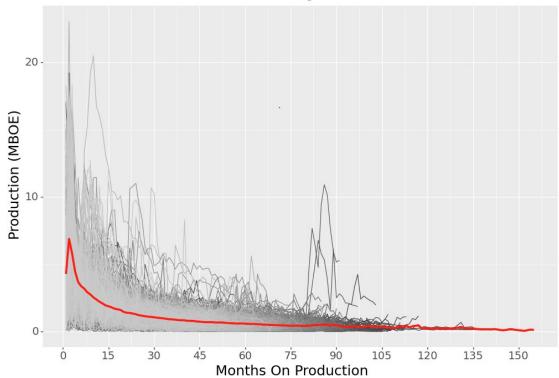
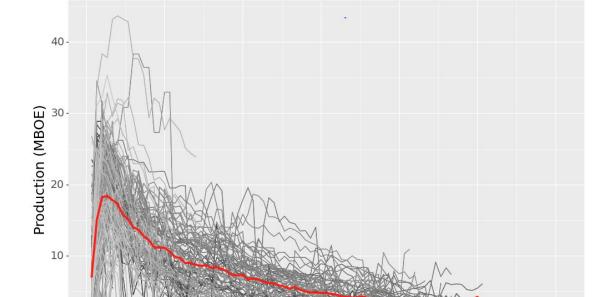


Fig 21: NBRR 1st Quintile Production by Well Since First Month.Red line is average of all wells by month.

CODL Horizontal 5th Quintile Production



0-

ò

15

30

Fig 22: CODL 5th Quintile Production by Well Since First Month. Red line is average of all wells by month.

60

75

90

45

Months On Production

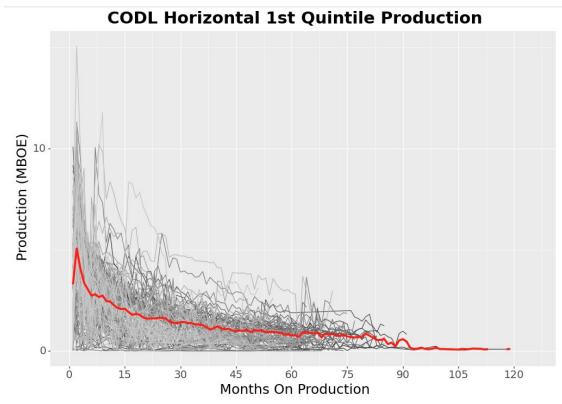


Fig 23: CODL 1st Quintile Production by Well Since First Month. Red line is average of all wells by month.

Even though it is clear that each NBRR quintile shows sequentially less initial production, the longevity of the wells across quintiles is similar. Comparison between the NBRR and CODL indicates that even though there are fewer CODL wells and less production, the best 5th quintile CODL wells are almost on par with the best 5th quintile NBRR wells in terms of initial production rates. The 5th quintile CODL wells, however, have not produced as long.

The following figures show the production for only the few horizontal wells that have been abandoned, for both the NBRR and CODL. Only 3 CODL wells have been abandoned as of the beginning of 2020.

NBRR Horizontal Production Prior to Abandonment Output Outpu

Fig 24: NBRR Production by Well Since First Month only for wells that have since been abandoned. Red line is average of all wells by month.

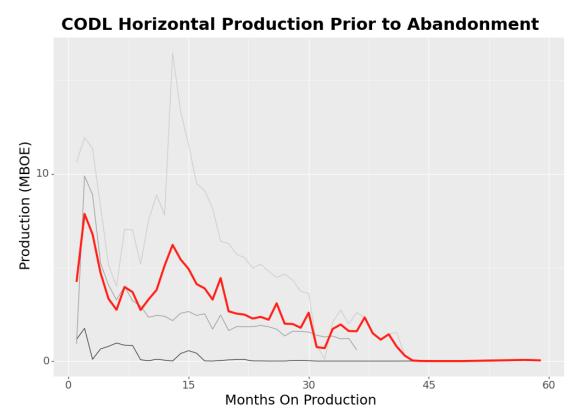


Fig 25: CODL Production by Well Since First Month only for wells that have since been abandoned. Red line is average of all wells by month.

Further Work - Questions Remaining to Be Answered

Remove outliers?; compare and contrast other quintilized population - which is better.

4. FEATURE ENGINEERING

A number of additional features were calculated or extrapolated from the original datasets to aid in the analysis.

A total of ?? features are indexed by API

And a total of ?? features are indexed by date.

The following is a list of features and their description.

Production Time-Series

```
TVDSS from ground_ele - Max_tvd if vertical or tvd if deviated BOE of gas BOE - gas + oil
```

Rollup - Header attributes

well type cat

well_type_cat2

OpCurNum1,2

OpCurName1,2

OpHistNum1,2

OpHistName1,2

Field Code

Field_Name

UTM_X_SF

UTM_Y_SF

UTM_X_BH

UTM_Y_BH

well status

Ab Val

TVDSS

Spud Date

Rollup - Production attributes

Start

End

FORM1

FORM2

oil cum

gas_boe_cum

gas_mcf_cum

boe_cum

wtr_cum

prod_days

norm_oil_cum

norm_wtr_cum norm_gas_mcf_cum norm_gas_boe_cum norm boe cum gor wor oil_first_mo gas_boe_first_mo prod_days_first_mo IP_one_mo oil_two_mo gas_boe_two_mo prod_days_two_mo IP_two_mo oil_three_mo gas_boe_three_mo prod days three mo IP three mo Total Elapsed Prod TimeProdDayRatio Total Days on Prod

Needed

Lateral length (for horizontals)
Unit Thickness (for deviated / verticals) Niobrara and Codell only?
Distance to nearest offset
Horizontal orientation

Features	Description

5.	MACHINE LEARNIN	NG / ST	TATS [ATAC	ANAL	/SIS

6. MACHINE LEARNING: TIME SERIES FORECASTING

7. CITATIONS

- Barlacchi, G. et al. A multi-source dataset of urban life in the city of Milan and the Province of Trentino. Sci. Data2:150055 doi: 10.1038/sdata.2015.55 (2015).
- <u>Telecom Italia</u>, <u>2015</u>, <u>"Telecommunications SMS</u>, <u>Call</u>, <u>Internet MI"</u>, https://doi.org/10.7910/DVN/EGZHFV, Harvard Dataverse, V1
- <u>Telecom Italia, 2015, "Milano Grid", https://doi.org/10.7910/DVN/QJWLFU, Harvard Dataverse, V1</u>

8. REFERENCES

- Colorado Oil and Gas Conservation Commission https://cogcc.state.co.us/data2.html#/downloads
- Milne, 2014
- Wikipedia https://en.wikipedia.org/wiki/Denver Basin

9. APPENDIX

9.1 COGCC monthly production reports - attributes

Production Record Data Dictionary

-	Header File Field	Description of field	Data Type
1)	report_month	Month reported by	Char(2)
_		operator	(5)
2)	report_year	Year reported by operator	Smallint
3)	St	API state code "05"	Char(2)
4)	api_county_code	API county code	Char(3)
5)	api_seq_num	API sequence number	Char(5)
6)	sidetrack_num	API sidetrack number	Char(2)
7)	formation_code	COGCC formation code	Char(6)
8)	well_status	Well status	Char(2)
9)	prod_days	Number of production days for month	Int
10)	water_disp_code	Water disposal code	Char(1)
11)	water_vol	Water volume in Bbls	Int
12)	water_press_tbg	Water tubing pressure in psia	Int
13)	water_press_csg	Water casing pressure in psia	Int
14)	bom_invent	BOM inventory in Bbls	Int
15)	oil_vol	Volume of oil produced in Bbls	Int
16)	oil_sales	Oil sales volume in Bbls	Int
17)	adjustment	Adjusted oil volume in Bbls	Int
18)	eom_invent	EOM inventory in Bbls	Int
19)	gravity_sales	Gravity sales	Real
20)	gas_sales	Gas sales volume In MCF	Int
21)	flared	Gas flared in MCF	Int
22)	gas_vol	Volume of gas used on lease in MCF	Int
23)	shrink	Gas shrinkage in MCF	Int
24)	gas_prod	Gas produced in MCF	INt
25)	btu_sales	BTU sales	Int
26)	gas_press_tbg	Gas tubing pressure	Int
27)	gas_press_csg	Gas casing pressure	Int
28)	operator_num	Operator number	Int
29)	name	Operator name	Char(50)
30)	facility_name	Well name	Char(35)
31)	facility_num	Well number	Char(15)
32)	accepted_date	Date processed by COGCC	Datetime
33)	revised	This is a revised record	Char(1)

9.2 WELLS Shapefile - Attributes

	<u>Attribute</u>	Attribute Description	Attribute Definition Source
1	FID	Internal feature number;Sequential unique whole	Esri
		numbers that are automatically generated	
2	Shape	Feature geometry; Coordinates defining the	Esri
		features	
3	API	8-digit API Number (County Code and Sequence	COGCC COGIS Database
		Code)	
4	API_County	API County Code	COGCC COGIS Database
5	Api_Seq	API Sequence Code	COGCC COGIS Database
6	API_Label	10-digit API Number (State Code - County Code - Sequence Code)	COGCC COGIS Database
7	Operat_Num	Operator Number	COGCC COGIS Database
8	Operator	Operator Name	COGCC COGIS Database
9	Well_Num	Well Number	COGCC COGIS Database
10	Well_Name	Well Name	COGCC COGIS Database
11	Well_Title	Well Number and Well Name	COGCC COGIS Database
12	Citing_Typ	Citing Type (Actual or Planned)	COGCC COGIS Database
13	Spud_Date	Best Spud Date Available	COGCC COGIS Database
14	Ground_Ele	Elevation of Ground Level at Well Location in Feet AMSL	COGCC COGIS Database
15	Max_MD	Maximum Measured Depth of All Sidetracks Associated with API in Feet	COGCC COGIS Database
1.0	May TVD		COCCC COCIC Database
16	Max_TVD	Maximum Total Vertical Depth of All Sidetracks Associated with API in Feet	COGCC COGIS Database
17	Field_Code	Field Code	COGCC COGIS Database
18	Field_Name	Field Name	COGCC COGIS Database
19	Facil Id	Facility ID in COGIS Database	COGCC COGIS Database
20	Facil_Type	Facility Type in COGIS Database (Well)	COGCC COGIS Database
21	Facil_Stat	Facility Status in COGIS Database	COGCC COGIS Database
22	Stat_Date	The date of the latest facility status-code update.	COGCC COGIS Database
23	Loc_Qual	Location Qualifer	COGCC COGIS Database
24	Loc ID	Location ID in COGIS Database	COGCC COGIS Database
25	Loc_Name	Location Name	COGCC COGIS Database
26	Dist_N_S	Location in Feet from the N or S Section Line	COGCC COGIS Database
27	Dir_N_S	Section Line from which the Location is Measured	COGCC COGIS Database
28	Dist_E_W	Location in Feet from the E or W Section Line	COGCC COGIS Database
29	Dir_E_W	Section Line from which the Location is Measured	COGCC COGIS Database
30	Qtr_Qtr	Quarter Quarter Location	COGCC COGIS Database
31	Section	Section	COGCC COGIS Database
32	Township	Township	COGCC COGIS Database
33	Range	Range	COGCC COGIS Database
34	Meridian	Meridian	COGCC COGIS Database

35	Latitude	Latitude	COGCC COGIS Database
36	Longitude	Longitude	COGCC COGIS Database
37	Utm_X	Utm X Coordinate	COGCC COGIS Database
38	Utm_Y	Utm Y Coordinate	COGCC COGIS Database

9.3 DIRECTIONAL_BOTTOMHOLE_LOCATIONS Shapefile - Attributes

1	<u>Attribute</u>	Attribute Description	Attribute Definition_Source
2	Shape	Feature geometry	Esri
3	API	API Number	COGCC
4	API_Label	12-digit API Number (State Code - County Code - Sequence Code - Directional Sidetrack Code)	COGCC COGIS Database
5	Operator	Operator Name	COGCC
6	Well_Name	Well Name	COGCC
7	BH_Status	Bottomhole Status; Actual or Planned	COGCC
8	MD	Measured Depth (Feet)	COGCC
9	TVD	Total Vertical Depth (Feet)	COGCC
10	Deviation	Directional or Horizontal	COGCC
11	Field_Code	COGCC Field Code	COGCC
12	Field_Name	COGCC Field Name	COGCC
13	Lat	Bottomhole Latitude Coordinate (NAD83)	COGCC
14	Long	Bottomhole Longitude Coordinate (NAD83)	COGCC
15	Utm_X	Bottomhole UTM X Coordinate (NAD83, Zone 13N)	COGCC
16	Utm_Y	Bottomhole UTM Y Coordinate (NAD83, Zone 13N)	COGCC

9.4 DIRECTIONAL_LINES Shapefile - Attributes

	<u>Attribute</u>	Attribute Definition	Attribute Definition Source
1	FID	Internal feature number	Esri
2	Shape	Feature geometry	Esri
3	API	API Number	COGCC
4	API_Label	12-digit API Number (State Code - County Code - Sequence Code - Directional Sidetrack Code)	COGCC COGIS Database
5	Operator	Operator Name	COGCC
6	Well_Name	Well Name	COGCC
7	Dir_Status	Directional Line Status: Actual or Planned	COGCC
8	MD	Measured Depth (Feet)	COGCC
9	TVD	Total Vertical Depth (Feet)	COGCC
10	Deviation	Directional or Horizontal	COGCC
11	Field_Code	COGCC Field Code	COGCC
12	Field_Name	COGCC Field Name	COGCC

9.5 Final Production Time-Series Dataframe - Attributes

Column Index	<u>Attribute</u>	<u>Dtype</u>
0	Date	datetime64[ns]
1	API	int64
2	API8	int64

3	sidetrack num	object
4	well_type_cat	category
5	Oper_Cur_Num	int64
6	Oper_Cur_Name	object
7	Oper_Hist_Num	int64
8	Oper_Hist_Name	object
9	Well Title	object
10	Ground_Ele	float64
11	Max_MD	float64
12	MD	float64
13	Max_TVD	float64
14	TVD	float64
15	TVDSS	float64
16	Field_Code	float64
17	Field Name	object
18	Spud_Date	datetime64[ns]
19		datetime64[ns]
20	Stat_Date well status	
21		category
22	Facil_Stat	category
	API_Form	object
23	formation_code	category
24	fm_code_realloc	object
25	prod_days	float64
26	water_vol	float64
27	oil_vol	float64
28	gas_prod	float64
29	gas_prod_boe	float64
30	LAT_SF	float64
31	LONG_SF	float64
32	LAT_BH	float64
33	LONG_BH	float64
34	UTM_X_SF	int64
35	UTM_Y_SF	int64
36	UTM_X_BH	float64
37	UTM_Y_BH	float64
38	Township	object
39	Range	object
40	Section	object
41	water_disp_code	object
42	water_press_tbg	float64
43	water_press_csg	float64
44	bom_invent	float64
45	adjustment	float64
46	eom_invent	float64

47	gravity_sale	float64
48	gas_vol	float64
49	shrink	float64
50	gas_press_tbg	float64
51	gas_press_csg	float64
52	facility_name	object
53	facility_num	object
54	accepted_date	object
55	revised	object
56	year	object
57	month	object
58	api_seq_num	object
59	API_Label_x	object
60	Well_Num	object
61	Well_Name	object
62	Citing_Typ	object
63	Facil_Id	int64
64	Facil_Type	object
65	Loc_Qual	object
66	Loc_ID	float64
67	Loc_Name	object
68	Dist_N_S	float64
69	Dir_N_S	object
70	Dist_E_W	float64
71	Dir_E_W	object
72	Qtr_Qtr	object
73	Meridian	object
74	BH_Status	object
75	geometry_SF	geometry
76	geometry_BH	geometry
77	ProdHist	category
78	NBRR_Hor_IP_Quintile	category
79	NBRR_Hor_NormBoeCum_Quintile	category
80	CODL_Hor_IP_Quintile	category
81	CODL_Hor_NormBoeCum_Quintile	category
82	prod_month_by_API_Form	int64
83	well_type_cat2	category
84	oil_gas_vol_boe Ab_Val	float64

9.6 Final Rollup Dataframe - Attributes

Column Index Attribute	Non-Null Count	Dtype
Coldini Hack teelibate	TTOTT TTAIL COULT	Diype

0		49280	int64
1	API8	49280	int64
2	API_County	49280	int64
3	well type_cat	49280	category
4	well_type_cat2	49280	category
5	Oper_Cur_Num	49280	int64
6	Oper_Cur_Name	49280	category
7	Oper_Hist_Num	49280	int64
8	Oper_Hist_Name	49280	category
9	Field_Code	49280	float64
10	Field_Name	49280	category
11	UTM_X_SF	49280	int64
12	UTM_Y_SF	49280	int64
13	UTM_X_BH	22269	float64
14	UTM_Y_BH	22269	float64
15	well_status	49280	category
16	Facil_Stat	49280	category
17	Stat_Date	49269	datetime64[ns]
18	Ab_Val	48277	float64
19	TVDSS	48734	float64
20	Spud_Date	44969	datetime64[ns]
21	API_Form	47158	object
22	fm_code_realloc	47158	object
23	Start	47158	datetime64[ns]
24	End	47158	datetime64[ns]
25	oil_cum	47158	float64
26	gas_boe_cum	47158	float64
27	gas_mcf_cum	47158	float64
28	wtr_cum	47158	float64
29	boe_cum	47158	float64
30	prod_days	47158	timedelta64[ns]
31	norm_oil_cum	47158	float64
32	norm_wtr_cum	47158	float64
33	norm_gas_mcf_cum	47158	float64
34	norm_gas_boe_cum	47158	float64
35	norm_boe_cum	47158	float64
36	gor	42532	float64
37	wor	42532	float64
38	30Day_Oil	47158	float64
39	30Day_GasBoe	47158	float64
40	30Day_ProdDays	47158	float64
41	30Day_IP	47158	float64
42	90Day_Oil	47158	float64
43	90Day_GasBoe	47158	float64
44	90Day_ProdDays	47158	float64
45	90Day_IP	47158	float64
46	180Day_Oil	47158	float64

47	180Day_GasBoe	47158	float64
48	180Day_ProdDays	47158	float64
49	180Day_IP	47158	float64
50	270Day_Oil	47158	float64
51	270Day_GasBoe	47158	float64
52	270Day_ProdDays	47158	float64
53	270Day_IP	47158	float64
54	180Day_IP_Corr	44868	float64
55	180Day_Oil_Corr	47158	float64
56	180Day_GasBoe_Corr	47158	float64
57	180Day_ProdDays_Corr	47158	float64
58	GrossProdTime	47158	object
59	ProdDayRatio	47158	object
60	ProdHist	44969	object
61	GrossProdTimeRev	42999	timedelta64[ns]
62	NBRR_Hor_IP_Quintile	5357	category
63	NBRR_Hor_NormBoeCum_Quintile	5500	category
64	CODL_Hor_IP_Quintile	750	category
65	CODL_Hor_NormBoeCum_Quintile	824	category

9.7 List of Jupyter Notebooks

ShapeFiles Loading Conditioning Begin File(s): WELL.SHP

DIRECTIONAL_BOTTOMHOLE_LOCATIONS.SHP

DIRECTIONAL LINES.SHP

End File(s): gdf surf aoi (Wells filtered.shp)

gdf_dirlines (Dirlines_filtered.shp) gdf_bh_aoi (DirBH_filtered.shp) surf bh mrg FINAL CLEAN.pickle

ProductionDataImportMerge Begin File: COGCC Production Reports.csv

Intermediate Raw File: allproddf End File: allprodaoi_wbh.pickle

ProdDataClean Begin File: allprodaoi_wbh.pickle

End File: allprodaoi_wbh_dt.pickle

ReassignNCOM Begin File: allprod wbh dt

Intermediate Raw File: allprodaoi_wbh_srtd_Form2.pickle

End File: allprodaoi dt Final Clean.pickle

ProdDataCleanPass2 Begin File(s): allprodaoi dt Final Clean.pickle

Intermediate Raw File: allprodaoi_dt_Final_Clean_No_Inj3.pickle End File(s): Prod DT Series Final WQuantileRank.pickle

GenerateRollup Begin Files(s): allprodaoi dt Final Clean No Inj3.pickle

Intermediate Raw File:

Prod_DT_Series_Final_WQuantileRank.pickle

End_Files(s): allprodaoi_final_rollup.pickle

RollupExplAnal Begin Files: allprodaoi_final_rollup.pickle

TimeSeriesEDA Begin Files: Prod_DT_Series_Final_WQuantileRank.pickle

WOE Begin Files: allprodaoi_final_rollup.pickle