

2021 International Sucker Rod Pumping Virtual Workshop

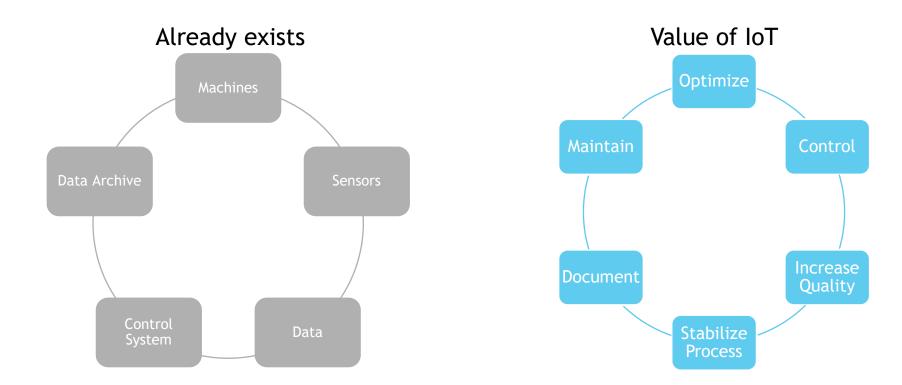
February 8-12, 2021

# Artificial Intelligence in Oil & Gas

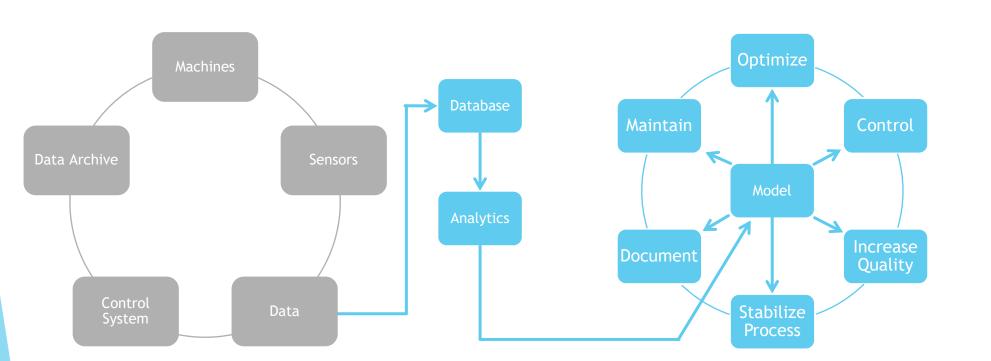


Patrick Bangert, Samsung SDS

### Internet of Things creates value from data



Artificial Lift R&D Council



Analytics bridges the worlds



3

### Models from Empirical Data

Brahe observed the planets every night for over 21 years.

Kepler: (1) Planets move on ellipses, (2) sweeping out equal areas, (3)  $\frac{T^2}{r^3} = \frac{4\pi^2}{GM}$ Newton concluded the law of universal gravitation:  $\underline{F} = m\underline{a}$ 

Model summarizes data, can be used to interpolate & extrapolate, and understand



Johannes

Kepler

Tycho Brahe (1546-1601)

PARSQVINTA. 30
1 Anno [Diftantia Martis] Diftantia Solis   Inclinatio   Vifa latitudo.   Noftra tabula cap. XV.
1 1580 152976 98223 9.37.42 1.45 Bor. 1.40.
2 1582 162255 98233 1.36. 6 4. 3- Bor. 4. 6 Vel 4.3.
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6 1501 144774 101777 1.11. 93.59 Autt. 4. 1- VCI 3.56.
7 1502 128556 100666 1.39.40 6. 3- Ault. 6. 2- vel 5.58.
8 1595 148817 89756 0. 1.39 0. 5-Bor. 0. 8 circiter.
9 1597 159200 98203 1.19.17 3.20 Bor. 3.33.
101600165406 984781.49.245.30 Bor. 4.31.
111602166004 992051.39.354. 7-DOT. 4. 8 Vel 4.10.
12 1604 160705 100359 0.52. 92.18 Bor. 2.21 vel2.26.

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### The good news: Analytics is worth it

process was automated

physical sensors were **installed** and computer systems **constructed** 





only need to **compute** 

process becomes sustainably **better** and **more profitable**  Artificial Lift R&D Council

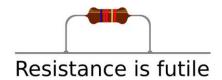
### The alternative is to fall behind

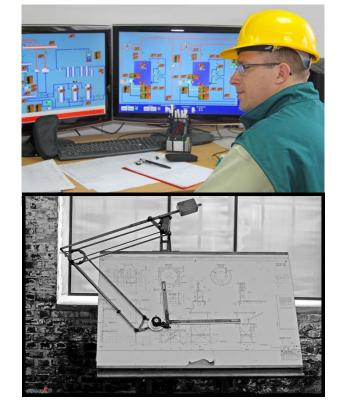
Can you imagine a plant without a **DCS**?

DCSs were installed around 1985 and on PCs since 1995

Would you design technical products on the **drawing board**?

CAD was introduced at the end of the 80s





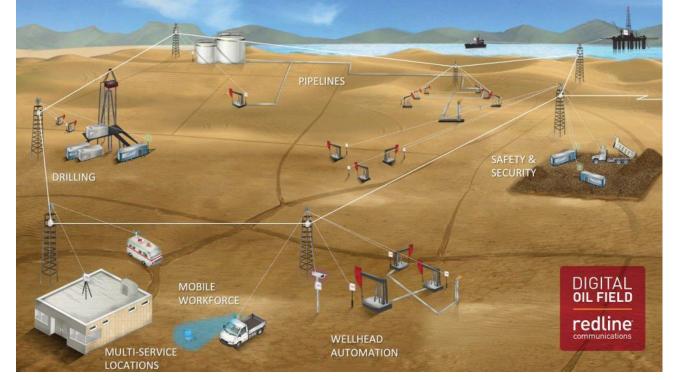




The purpose of the digital oilfield is to maximize oilfield recovery, eliminate non-productive time, and increase profitability through the design and deployment of integrated workflows.

PetroWiki, SPE

February 8-12, 2021



Order of work: (1) digitization, (2) integrated workflow, (3) predictive maintenance, (4) increased yield, (5) profits



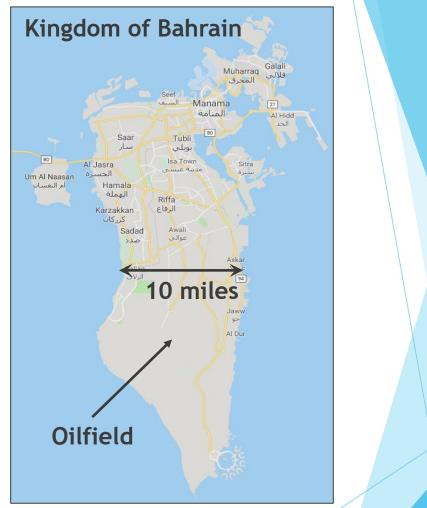
### Key differences to "normal" IoT

Harsh environment => expensive sensors

Large area => data transmission issues

Inaccessible location => long response times

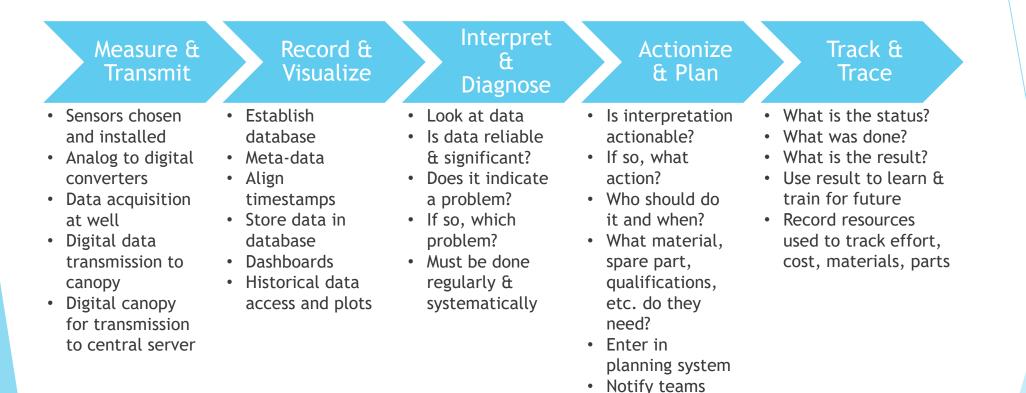
Bahrain: 100 sq. miles of oilfield, thousands of wells, dedicated electricity grid





### IoT & Integrated Workflow





### Measure & Transmit

Oilfield is illuminated by wifi repeater network

Each rod pump gets a wifi transmitter

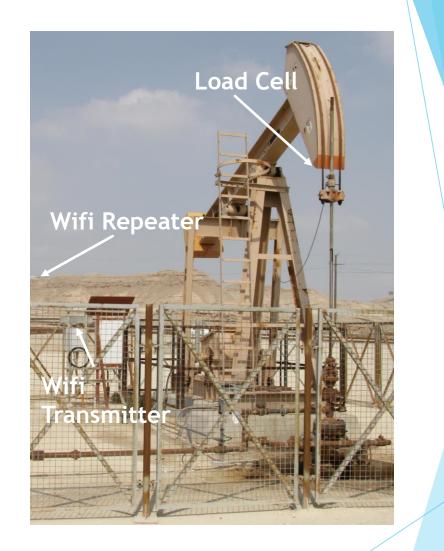
All measurements are collected at the transmitter and regularly sent

E.g. the load cell that measures the load is clearly seen in the picture



11



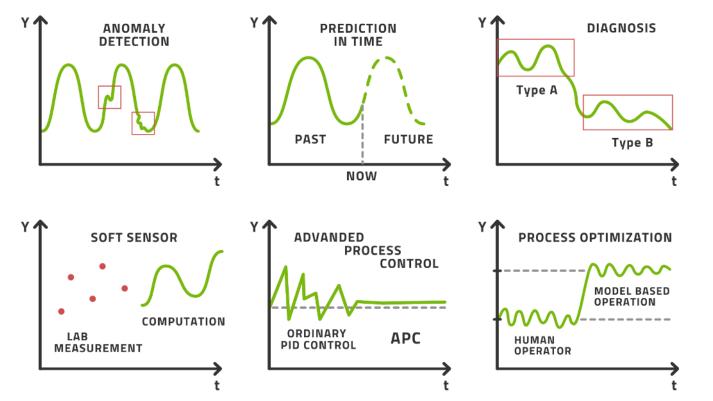






Record & Visualize: Control system and historian, meta-data and diagrams, set-points transmitted back to field.





Various applications in the process industry exist and are being pursued by operators.



#### Exploration

• Data Combination •Seismic Inversion • Drill site selection •Bidding on leases • Reservoir Model

- Diffusion and Flow
- Decline Curve

#### Drilling

• Variable Speed •Layer Detection • Reduce Drill Time • Shock Detection •Mud Loss Prediction •Non-Productive Time

#### Completion

- •Labor Organization
- Logistics Optimization
- Risk Management
- Advanced Sourcing

#### Production

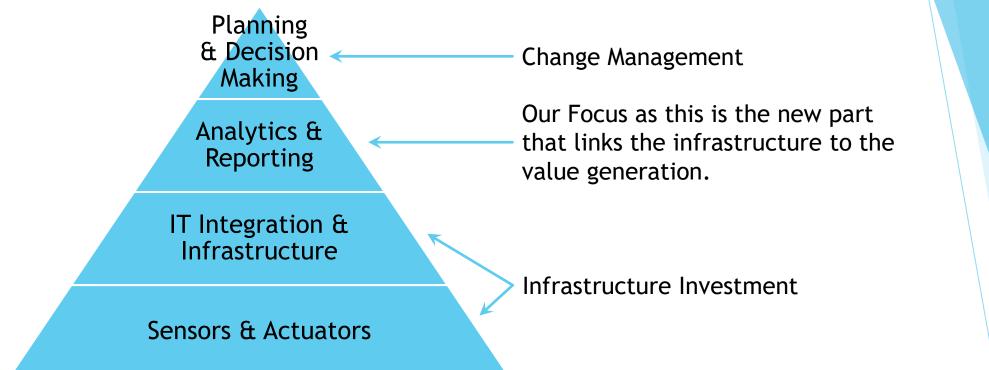
•Advanced Process Control • Yield Forecast • ESP •Fracture Fluids Rod Pump Optimization • Multiphase Flow Meter

#### Maintenance

 Predictive • Prescriptive • Pressure Loss in Pipelines • Drone & Unmanned Surveillance • Parts Orders

There are many applications in all aspects of the oil and gas industry from exploration to production. The most significant application is predictive maintenance.





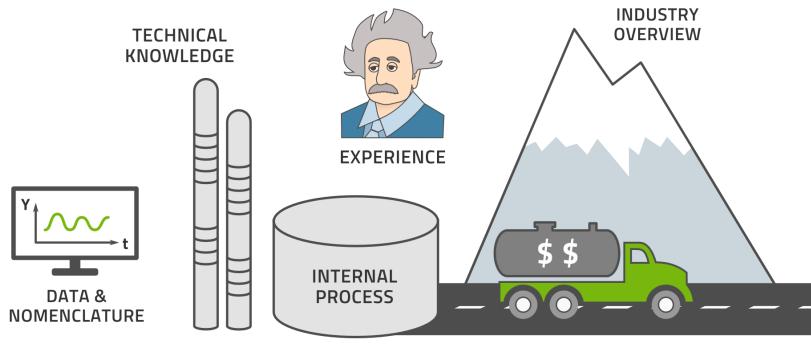
The physical oilfield and equipment must be instrumented with sensors and we must have influence over actuators. This is combined with IT and analytics to allow decision making.



- data scientist domain expert
- 1. Adjusts tool to task
- 2. Processes data
- 3. Builds tool
- Spots over-fit 4.
- Finds crucial data 5.
- 6. Unbiased

The data scientist and domain expert interact and cooperate to solve the problem together.

- 1. Defines the task
- 2. Selects data
- 3. Uses tool
- 4. Spots under-fit
- 5. Acts on conclusions
- 6. Biased



**BUSINESS MODEL** 

Now we are prepared for decision making and thus acting on the prediction. Machine Learning provides information. Value is generated by people acting on the information!

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### Lessons Learned

### Investment

- In sensors is significant
- In software is small
- Software creates ROI
- People
  - Everyone must support and agree
  - Change management is important
- Integration
  - Effort is spent integrating IT systems
  - Departments must be integrated in expectation
- Effort
  - Mostly integration/organization
  - Some domain knowledge
  - Little data science
- Conclusions
  - There is much more to a data science project than data science!
  - It is not necessary for operators to have dedicated data science software developers rather knowledgeable persons to organize, and manage the project and domain knowledge







### Acknowledgements, Thank You & Questions

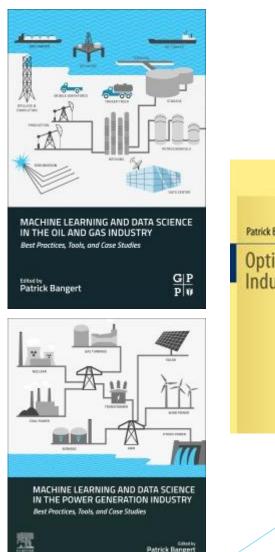
Questions? Feel free to reach out. Find details and case studies in my books.

Patrick Bangert, VP of AI

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Patrick Bangert Optimization for Industrial Problems

Springer

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