

June 17, 2002

To: All Oil and Gas Operators and Well Testers

Re: Well Test Capture (WTC) Review Invites Feedback from Operators

This letter is intended to invite feedback from operators regarding proposed changes to the Well Test Capture (WTC) system.

In response to industry's calls for improvements to the WTC system, the Alberta Energy and Utilities Board (EUB) has initiated a review of the system. The EUB's objective in the first phase of this review is to improve the quality and completeness of well test data by making some modifications to the processes through which data are captured and edited by the system. Currently there are a substantial number of operators who are only submitting some of the components of a test, rather than the complete test that one would have found in the former paper version that was submitted prior to the implementation of the WTC system.

The changes being proposed in the first phase, as described here, would compel more complete submission of data, allow greater access to information captured on the system, and reduce the effort required from EUB staff in addressing data submissions. The second phase of the review will concentrate on the software and technology issues of the WTC system.

Background

Since the implementation of the WTC system, there has been a perceived decline in the quality and completeness of data being collected by the WTC system. Stakeholders, both internal and external, have had issues with the system centering on the quality and completeness of submitted test data, the difficulty in retrieving test information from the Pressure ASCII Standard (PAS) file format, and the difficulties and substantial industry investment required to submit data to the system.

Over the past several months, meetings have been held with representatives from the EUB and industry to discuss these issues. It was found that the problem was not mainly the technology; rather, the majority of issues were of concern with the processes supporting the technology. The main stakeholder issues identified were

1) An unlevel playing field:

- Audits and reviews are not being conducted to identify which operators fail to submit complete test packages.
- Not all operator-initiated tests are being submitted.

2) Missing Tagged Image File (TIFF) information:

- A set of standards is needed for TIFF file submissions with tests; currently TIFF files are often incomplete or missing.

3) Usability of data:

- A viewer/reader is required by both industry and EUB to be able to “mine” the data.
- Since well tests cannot be sent as a complete package, often pieces of the test are missing.

4) Some optional data elements not included in most test submissions:

- When the WTC system was implemented, it was assumed that the equivalent to the old paper copies would be sent in, but this is not the case.

Based on feedback from industry, the EUB proposes the following changes to address these issues.

1) New Edit for PAS Files

Currently a substantial number of operators are submitting only some components of a test, rather than the complete test that would have been included in the former paper submission. Through the addition of an edit for test type, data submitted to the EUB can be improved. For an initial gas well deliverability test to be deemed complete, at a minimum the following files will be required:

- AOF.PAS
- PRD.PAS
- TRG.PAS (Type Code 4 or5) or AWS.PAS (Type Code 10 or 11)

2) Tagged Image File Format (TIFF) Guidelines

Stakeholders have clearly stated that guidelines should be issued for TIFF files, first to make sure it is understood they are required to be submitted, and second, so that they contain the necessary information. TIFF files will be required with all PAS file submissions of tests, except the Production Test Format (PRD) PAS file. TIFF images must present information at par with the former paper version (see guideline attachment).

3) Current Warning Notice Letter Discontinued

The EUB’s Well Test Section spends a substantial amount of manual effort each month creating several hundred notification letters to operators that have not fulfilled initial well testing requirements. This process needs to be streamlined in order to enable staff to perform audit functions. Although the initial pressure and deliverability test requirements for wells are available on the EUB’s Web site, operators typically wait for a notification letter from the EUB before any action is taken.

The EUB will no longer send out a notice letter to industry warning operators that they have 30 days to fulfill initial testing requirements, as outlined in Section 3.7 of *EUB Guide 40: Pressure and Deliverability Testing Oil and Gas Wells, Minimum Requirements and Recommended Practices*. Instead, the following well information will be provided only on the EUB Web site <www.eub.gov.ab.ca>:

- company name
- well licence number
- well identifier
- well identifier change (if applicable)
- completion interval for nonconfidential wells
- missing well test(s)
- test due date.

The Web site will be refreshed once a week with any changes to the above fields. Operators will be subject to noncompliance consequences if they have not submitted the required test or have only submitted a partial test.

Also, in conjunction with the proposed changes for quality and completeness of data, a review group organized by representatives from the Petroleum Society of the Canadian Institute of Mining, Metallurgy & Petroleum (CIM), Well Testing and Production Optimisation Special Interest Group and the CIM Guide 40/Guide 52 Industry Group is currently undertaking a comprehensive review and cleanup of all PAS file data contents. This review is scheduled to be completed by the end of August, when a proposal will be submitted to the EUB for review. Once the EUB has reviewed the proposed changes, they will be posted on the EUB Web site for industry feedback.

For additional details on any future changes being proposed, please refer to the EUB Web site. The well test folder is at <www.eub.gov.ab.ca/BBS/dds/welltest.htm>. A mailbox has been set up specifically for industry feedback for the above proposed changes: <EUB.WTC-Review@gov.ab.ca>. Please respond by July 10, 2002 with any comments you may have.

<*Original signed by*>

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Manager
Information Collection and Dissemination

Proposed Guidelines for TIF Files Submissions

Drill Stem Test (DST)

- Summary description, discussions, and conclusions
- Drilling Dimensions
- Pressure/time charts
- Tool diagrams, full blow descriptions with rates
- Graphs indicating the pressure build-up or fall-off
- All field charts, graphs, plots, or text pertinent to the test

Absolute Open Flow Test (AOF)

- Operations and procedure summaries
- Summary description, discussions, and conclusions
- Gas deliverability test summary
- Gas well sandface and wellhead deliverability analysis and graphs
- All theoretical parameters and calculations and any supplementary data and calculations related to a proper interpretation of the test

Static Gradient (SG)

- Pressure vs. depth chart

Transient Gauge Test (TRG)

- Operations and procedures summaries
- Results summary description, discussions, and conclusions
- Wellbore and completion schematics
- Field charts and graphs
- All PTA analysis, charts and graphs
- Parameters used to substantiate the final results
- All plots including pressure vs. time, log-log derivative, and horner or semilog

Acoustic Well Sounder (AWS)

- Operations and procedure summaries
- Results summary descriptions, discussions, and conclusions
- Wellbore and completion schematics
- Field charts and graphs
- All PTA analysis, charts, and graphs
- Parameters used to substantiate the final results
- All plots including pressure vs. time, log-log derivative, and horner or semilog

Production Test (PRD)

- Any graphs pertinent to operations

Gas Analysis (GAN)

- Lab report

Oil Analysis (OAN)

- Lab report

Water Analysis (WAN)

- Lab report