Eagle Ford Production Drivers and Well Economics

Clint Barefoot
Drillinginfo, 221 Catalina Ln., Austin, Texas 78737

GCAGS Explore & Discover Article #00240*
Posted October 30, 2017.

*Article based on an abstract published in the GCAGS Transactions (see footnote reference below), which is available as part of the entire 2017 GCAGS Transactions volume via the GCAGS Bookstore at the Bureau of Economic Geology (www.beg.utexas.edu) or as an individual document via AAPG Datapages, Inc. (www.datapages.com), and delivered as an oral presentation at the 67th Annual GCAGS Convention and 64th Annual GCSSEPM Meeting in San Antonio, Texas, November 1–3, 2017.

ABSTRACT

In unconventional plays such as the Eagle Ford, there can be many different geological and engineering parameters that drive production. In most every unconventional play, we see year over year improvement in production. We will analyze key correlations to production. Parameters such as depth, oil gravity, lateral length, proppant, number of porpoises, and heel-toe differential will be analyzed.

Well economics will also be analyzed. We will observe type curves in certain areas of the play. By calculating EUR’s and comparing to reported CAPEX costs, we can get a better feel for breakeven prices by area. We will also observe single-well price sensitivities such as CAPEX, commodity price, EUR’s, and operating expenses to see how each effect the expected rate of return.

Finally we can compare the economics to other key unconventional plays. This will include a look at recent A&D activity and the cost of getting into a play.