Oil Production Monitoring using Gradient Boosting Machine Learning Algorithm

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Abstract: Data-driven solutions for multiphase flowrate estimation in oil and gas production systems are among the alternatives to first principles virtual flow metering systems and hardware flow metering installations. Some of the most popular data-driven methods in this area are based on artificial neural networks which have been proven to be good virtual flow metering tools. However, neural networks are known to be sensitive to the scaling of input data, difficult to tune and provide a black-box solution with occasionally unexplainable behavior under certain conditions. As an alternative, in this paper, we explore capabilities of the Gradient Boosting algorithm in predicting oil flowrates using available field measurements. To do this, we use an efficient implementation of the algorithm named XGBoost. In contrast to neural networks, this algorithm is insensible to data scaling, can be more intuitive in tuning as well as it provides an opportunity to analyze feature influence which is embedded in algorithm learning. We show that the algorithm provides accurate flowrate predictions under various conditions and can be used as a back-up as well as a standalone multiphase flow metering solution.

Keywords: Virtual flow metering, machine learning, production monitoring, gradient boosting, soft sensing.

1. INTRODUCTION

Accurate measurements of oil, gas and water flowrates are a critical part in production optimization, reservoir management and flow assurance of petroleum production systems (Falcone et al. (2001)). A traditional method for measuring these flowrates is well testing which can be conducted by re-routing a well stream into a test separator, or by changing wellhead choke opening and tracking the change of the rates at an inlet separator. Another alternative are multiphase flow meters (MPFMs) which allow to avoid separating the multiphase flow streams while measuring the flowrates from single wells or a cluster of wells in real time. Despite this advantage, MPFMs are expensive and can be a subject to degradation and costly repair (Patel et al. (2014)).

Another possible way to estimate the multiphase flowrates is to combine field measurements such as pressure and temperature with first principles mathematical models which accurately represent specific system parts or the system as a whole. Some measurements are used as inputs to the model (as model boundary conditions) together with tuning variables such as flowrate or choke discharge coefficient. The remaining measurement values are estimated by the models. The differences between the estimated and actual measurement values are minimized by an optimization solver. This approach is called Virtual Flow Metering (VFM) and can be used as a back-up to MPFMs as well as a standalone metering solution.

As an alternative to the first principles models, one can use a data-driven approach in order to estimate the flowrates. In this case, the specifics of the production system such as geometry of the well tubing or choke are not considered and only field measurements are used to identify the system model. The advantage of using these models is a low computational cost and relative simplicity in comparison to the first principles VFM methods that typically solve complex PDE conservation equation systems. These facts are especially of advantage if one does not have full access to the first principles model equations, for instance, in a commercial multiphase flow solver. In this case, computing gradients for optimization is computationally very expensive, while the data-driven models can provide the gradients at a much lower cost. This allows a well-trained data-driven model to predict the flowrates in real time with a sampling time of seconds, while VFM based on first principles models may have a significant time delay due to solving the embedded non-linear optimization problem.

The most popular data-driven approach in VFM is based on feed-forward neural networks (NNs) with various modifications of structures and weights optimization, see Bernardi and Shahbazian (2011) and AL-Qutami et al. (2018) with therein references. Despite the reasonable accuracy of NNs, there are some disadvantages associated with them. First, it is difficult to establish good rules for NN architecture construction, such that creating a successful structure of the NN requires strong user experience and can be time consuming. Also, the accuracy of NNs is
dependent on the scale of the input features and target variables, such that NNs require data normalization (Sola and Sevilla, 1997). This is especially the case in VFM since the scale of the features varies widely. Also, the resulting NN is used as a black-box model and sometimes it is difficult to understand the reason behind its behavior. Hyperparameters tuning to avoid model overfitting is also often a challenge in NNs training.

Gradient Boosting (GB) is another efficient method for solving non-linear classification and regression problems. Here we construct an ensemble of weak learners (simple algorithms) into a strong learner which is used to solve a particular problem (Friedman (2001)). One of the most popular modifications of GB is applying regression trees as weak learners which is called Tree Gradient Boosting. Among various implementations of Tree Gradient Boosting, eXtreme Gradient Boosting (XGBoost) by Chen and Guestrin (2016) is a popular algorithm for solving machine learning problems. In this work, we apply this algorithm implementation. In contrast to NNs, GB does not require scaling of the features which makes it more convenient for VFM applications. In addition, despite many hyperparameters, the tuning process of GB can be considered more intuitive and flexible compared to NN’s tuning. For instance, increasing the number of trees by one allows a careful model adjustment while increasing the number of nodes in NNs by one may lead to a large change of the model performance and possible overfitting, especially in small datasets. Another advantage of GB is the feature importance analysis which can be performed directly in algorithm training without additional manipulations which gives an opportunity to better understand the algorithm behavior and get additional insights of the system parameters.

In this paper, we analyze capabilities of XGBoost in predicting oil flowrates from a subsea well under realistic conditions. We show how the algorithm can be used in different field development strategies as a back-up system for a multiphase flow meter or a standalone solution using the information from well tests. In addition, we analyze the performance of K-Fold and early stopping cross-validation schemes together with a tuning procedure for selecting an accurate set of XGBoost hyperparameters for VFM applications. The implementation of the algorithm for this paper can be found on https://github.com/NRT23.

2. XGBOOST ALGORITHM

In this section, we give an overview of basic principles of Gradient Boosting and its implementation in XGBoost algorithm based on the paper by Chen and Guestrin (2016).

Consider a dataset \( D = \{(x_i, y_i) \mid i = 1...n, x_i \in \mathbb{R}^m, y_i \in \mathbb{R}\} \), meaning that we have \( m \) features for each of \( n \) observation examples which correspond to the target variable \( y \). A tree ensemble prediction for a given observation \( i \) is produced as a sum of predictions from \( K \) additive functions

\[ \hat{y}_i = \phi(x_i) = \sum_{k=1}^{K} f_k(x_i) \]  

Dataset

| \( C_p \) | \( P(h_{\text{min}}) \) | \( G_H \) | \( \phi \) |
|-----|----|----|-----|
| 1   | 0.3 | 5  | \( g_1, h_1 \) |
| 2   | 0.6 | 10 | \( g_2, h_2 \) |
| 3   | 0.3 | 12 | \( g_3, h_3 \) |
| 4   | 0.7 | 14 | \( g_4, h_4 \) |

where \( f_k \) is a regression tree predicting the value \( f_k(x_i) \) for the \( i \)-th example. By training an ensemble of regression trees, we want to minimize the objective function with loss terms \( l \) and regularization terms \( \Omega \)

\[ L(\phi) = \sum_{i} l(y_i, \hat{y}_i) + \sum_{k} \Omega(f_k) \]  

where \( \Omega(f) = \gamma Z + \frac{1}{2} \lambda \|w\|^2 \),

The objective in (2) is minimized in an iterative manner by adding a regression tree at each iteration. This leads us to the following objective function at \( t \)-th iteration

\[ L^t = \sum_{i=1}^{n} l(y_i, \hat{y}_i^{t-1} + f_t(x_i)) + \Omega(f_t) \]  

Applying a second order Taylor expansion and removing the terms independent of \( f_t \), it can be shown that the following approximation of (4) can be obtained (Chen and Guestrin, 2016)

\[ \tilde{L}^t = \sum_{i=1}^{n} [y_i f_t(x_i) + \frac{1}{2} h_t f^2_t(x_i)] + \Omega(f_t) \]  

where \( y_i \) and \( h_t \) are the first and second order derivatives of \( l(y_i, \hat{y}_i^{t-1}) \) w.r.t. \( \hat{y}_i^{t-1} \). Defining \( I_j \) as a group of observations in the \( j \)-th leaf in a particular tree structure and taking into account that the tree produces the same weights score for the observations in one leaf, we can compute the optimal leaf weights \( w_j^* \) and the corresponding optimal value of the objective approximation \( \tilde{L}^t \) (Chen and Guestrin, 2016)

\[ w_j^* = \frac{\sum_{i \in I_j} y_i}{\sum_{i \in I_j} h_i + \lambda} \]  

\[ \tilde{L}^t(q) = -\frac{1}{2} \sum_{j=1}^{T} \left( \frac{\sum_{i \in I_j} y_i}{\sum_{i \in I_j} h_i + \lambda} \right)^2 + \gamma Z \]  

where \( q \) denotes a particular tree structure. Equation (7) is used as an evaluation criteria to find an optimal split of the tree. The tree is grown greedily to avoid enumerating all possible structures \( q \) meaning that the algorithm starts splitting from a single leaf and adds branches according to (7). Fig. 1 shows a simple example of an XGBoost regression tree with the algorithm notations and measurement data of pressure and choke opening used in VFM. To get a better understanding of the splitting procedure, consider \( I_L \) and \( I_R \) to be the left and right groups of observations after the tree node split. Having
this information, we can calculate a loss reduction caused by the split

\[
L_{\text{split}} = \frac{1}{2} \left[ \left( \sum_{i \in I_L} g_i \right)^2 \left( \sum_{i \in I_R} h_i + \lambda \right)^2 \left( \sum_{i \in I_R} h_i + \lambda \right)^2 \right] - \gamma \quad (8)
\]

The loss reduction (8) is used to evaluate each possible split by linear scanning of sorted values for each feature in each node. The best split is the one which gives the maximum value of the loss reduction. When the splitting is finished, the leaf values are assigned according to (6).

For a more detailed explanation of XGBoost algorithm derivation and its additional features such as shrinking tree outputs the interested reader is referred to the original paper by Chen and Guestrin (2016).

3. PRODUCTION SYSTEM MODELING

We consider a simple subsea production system which consists of an oil well, a flowline, a riser and an inlet separator with a constant pressure, see Fig. 2. The parameters of the system are shown in Table 1. The well is equipped with a multiphase flow meter (MPFM), choke, pressure (P) and temperature (T) sensors which are installed at the bottomhole, upstream and downstream of the choke. In addition, information about the choke opening (\( C_{\text{op}} \)) is available. The system performance is simulated in OLGA which is one of the leading simulation tools for multiphase flow transport in oil and gas production systems (Bendiksen et al. (1991)). To manipulate the choke opening and inflow sources as well as collect simulation results, we use MATLAB together with an OPC (Open Platform Communication) server.

![Fig. 2. Schematic representation of the production system](image)

To model the reservoir inflow, we use the Inflow Performance Relationship (IPR) formulated by Vogel’s equation (Vogel et al. (1968)). To mimic the reservoir depletion effect, we introduce a linear reservoir pressure decline with respect to the production time. The IPR does not consider transient effects in the near-wellbore region. Therefore, to simulate dynamic effects related to the change of the bottomhole pressure caused by the choke position change, occasional gas breakthroughs from injection wells and other possible disturbances such as production wells interaction, we include an additional gas source which has a periodic form represented by the following relationship

\[
\dot{m}_{\text{Source}} = \dot{m}_{\text{max}} \cdot C_{\text{op}} \cdot \left[ 1 + a \cdot \sin \left( \frac{\pi \cdot s}{T_{\text{Source}}} \right) \right] \quad (9)
\]

where \( \dot{m}_{\text{max}} \) denotes the maximum mass gas source value, \( C_{\text{op}} \) - the choke opening, \( s \) - the time step, \( a \) and \( T_{\text{Source}} \) - the amplitude and the period of the \( \sin \) function respectively. In this relationship, we assume that the disturbance gas flow is proportional to the choke opening, such that when the choke is closed the effect vanishes. At the same time, by introducing a periodic function, we mimic dynamic reservoir responses and possible disturbances on the well without introducing random behavior. This trick together with the reservoir pressure decline is done in order to mimic a realistic system behavior, and to challenge the VFM to predict the varying flowrates. Otherwise, a steady state behavior of the IPR would produce a specific flowrate value to a specific choke position which makes the case unrealistic as well as simplifies the training and predicting process for the machine learning algorithm. A more advanced approach could be to couple OLGA with a reservoir simulator which would describe the reservoir response in a more precise way. This will be considered in future work.

To calculate the multiphase flowrate meter predictions, we assume that 100% flowrate measurements by the MPFM are within \( \pm 5\% \) accuracy with respect to the true value and model the predictions by the following relationship

\[
Q_{\text{MPFM}} = Q_{\text{True}} \left[ 1 + 0.05 \cdot \sin \left( \frac{\pi \cdot s}{T_{\text{MPFM}}} \right) \right] \quad (10)
\]

where \( T_{\text{MPFM}} \) denotes the period of the \( \sin \) function. The periodic function with a large period value allows to model the measurement error with a certain accuracy and at the same time avoid unrealistic random fluctuations under stable flow conditions which we would obtain by introducing simply a random measurement error.

4. CASE STUDIES

We perform several case studies which represent different situations of oil production monitoring and for each case consider two different cross-validation schemes: K-Fold and early stopping. As the flowrate prediction from an oil reservoir is time dependent, it can be considered as a time series problem. In this case, the K-fold cross-validation should be applied in a nested manner (Fig. 3, left) which is different from the traditional K-fold cross-validation approach. First, the available data is divided into training and test datasets. The training set is again divided in K-folds. No shuffling is involved in the splitting process. Then the model is trained on (1, 2, ..., K-1) folds combined (starting from fold 1 only) and validated on (2, 3, ..., K)\(^{th}\) fold. The obtained errors on K-1 test folds are averaged to make conclusions about the model accuracy and generalization. In this manner, the algorithm is not trained on the future data and tested on the past data as would happen in non-nested cross-validation. Finally, the algorithm is re-trained on the entire training data and tested on the test dataset to evaluate the model gener-

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Table 1. System and simulation parameters

| Parameter              | Value   | Parameter  | Value   |
|------------------------|---------|------------|---------|
| True vertical depth    | 2010 m  | \( \dot{m}_{\text{max}} \) | 0.35 kg/s |
| Measured depth         | 3110 m  | \( T_{\text{MPFM}} \) | 72 |
| Flowline length        | 1000 m  | \( T_{\text{Source}} \) | 144 |
| Riser length           | 100 m   | \( a \)     | 0.5    |

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In this work, the test datasets are selected to be 15% of the available training data for both K-Fold and early stopping. In early stopping, another 15% of the data is dedicated for the validation dataset. For K-fold validation the number of folds is 5.

The data are generated using the production system architecture shown in Fig. 2. The performance of the system is simulated for a period of 2 years. The obtained production profile without the well tests performance is shown in Fig. 4 (top). The period is divided into 4 quarters 180 days each. At the beginning of each quarter, a well test is conducted to obtain reliable information about the well performance. We collect the measurements every 8 hours during the normal production time and every 30 mins during the well tests. The following measurements are collected for the algorithm training and predicting the flowrates in the future time period:

- Pressure and temperature at the bottomhole, upstream and downstream of the choke
- Choke opening and oil flowrates from the MPFM or well tests

We analyze 3 case studies which have several sub-cases each. For 2 case studies we also compare the performance of K-Fold and early stopping cross-validation approaches. Each case considers a separate field development strategy, so we analyze the performance of GB VFM for various situations of production operation. The detailed description of each case study is discussed below.

4.1 Case 1 - MPFM data

In this case, we assume that we do not have information from the well tests and use the flowrate measurements from the MPFM only. This case is possible when well testing is expensive and rarely performed. For this case, we perform 3 cases studies by extending the training datasets as the production time evolves. For instance, in the first study (Case 1.1) we assume that the data from the first half a year is available for training (Q1 in Fig. 4) and we would like to predict the flowrates for Q2. As the time evolves and we obtain more training data, in Case 1.2 we use the data from Q1 and Q2 for training.
datasets for model evaluation and overfitting control is difficult. Even K-Fold cross-validation may not help in this case, since there are only a few measurements for each point of the gradually changing choke opening. In this work, we assume that there is no available data for model testing and train the model until the training dataset is well fitted. Table 2 shows the matrix of the datasets usage in Case 3.

Table 3 summarizes the simulations results from all the cases. For the sub-cases of Case 1, we see that with the increase of the dataset size, the performance of both validation methods improves, however, for the early stopping cases this improvement is negligible. Another observation is that early stopping outperforms K-folds in Case 1.1 and Case 1.2 while in Case 1.3 K-Fold method outperforms early stopping. The reason for this can be the fact that K-fold validation is performed in a nested manner, so that in the first two cases the model is constructed in a relatively small datasets, especially when the number of training folds is small. However, in Case 1.3 the data becomes large enough even in 1 fold to construct a model which well represents the data. However, one should notice that this situation might not always be the case. For instance, if the validation dataset was very different from the prediction one, early stopping would potentially show less accurate performance than K-Fold method in all the cases.

Another important observation from Table 3 is the fact that early stopping would potentially show less accurate performance than K-Fold method in all the cases. Another observation for Case 2 is that K-Fold outperforms early stopping in each sub-case. This shows that adding the information from the well tests helps to improve flowrate predictions with GB VFM. Another observation for Case 2 is that K-Fold outperforms early stopping in each sub-case. This shows that for the data with higher variability added by the well tests, K-Fold cross-validation can be a more robust way of the algorithm training. Potentially, the performance of early stopping in cases with well testing data can be improved by a better selection of the data splitting strategy. For instance, a part of the well test dataset can be included into the validation set while in our work we used well test data in the training dataset only.

Overall, we observe that the MAPE from GB VFM is comparable with the error from the MPFM, especially in Case 1.3 and Case 2. An example of the flowrate predictions by GB VFM is shown in Fig. 5. The figure shows that during some production time the constant piecewise approximations by the regression trees is good enough and have values closer to the true rate than the simulated MPFM rate predictions while in some parts constant piecewise predictions can be relatively inaccurate. Potentially, the performance of GB VFM can be further improved by applying linear function approximations instead of constant piecewise ones which may have a better ability to interpolate the flowrate predictions.

Another interesting observation from Table 3 is that a very small error is achieved in Case 2.1 even though this case does not have the largest training dataset. The reason for this is the fact that the choke opening values in $Q_2$ (prediction dataset for Case 2.1) coincidentally matched the values considered during the well tests multiple times. Since the flowrate estimates from the well tests does not
include the MPFM uncertainty, the resulted error is even lower than the error from the MPFM. This result is promising meaning that by performing a well-planned well testing around the expected operating point can lead to very accurate flowrate predictions by GB VFM.

As for the sub-cases of Case 3, we see the tendency of the error decline as the training set increases. An additional sub-case (Case 3.1) in Case 3 was included to see if we can use well tests from the beginning of the field operation for VFM purposes without a need of MPFM installation. As we can see from Table 3 the error in Case 3.1 is relatively large in comparison with the MPFM while with the new data obtained the error becomes comparable. Thus, potentially the combination of the well testing performed in a step-wise choke opening manner with GB VFM can be used as a standalone solution. However, at the initial production phase the accuracy can be low. One solution for this problem can be performing longer and more rigorous well tests for the initial stage with reducing well test complexity as the time evolves.

Even though we observed that the errors in Case 3 are comparable with MPFM, one should notice that the training was done without validation and test datasets, so that even well a fitted algorithm produced good results. In a real case, the well tests measurements may not have such a good accuracy as in the considered case and may have more noise both in variables (pressure and temperature measurements) and flowrate measurements, so that an overfitted model will most likely give worse predictions than the presented ones. In this case, obtaining more data from well testing and using it as a validation/test datasets can be a solution to control model overfitting.

In addition to the performance analysis, it is worth to emphasize limitations and possible challenges of GB VFM implementations in real systems. First of all, in this work we assumed that the measurements are free of noise. In reality, the measurements will always contain random and possibly drift errors which would make the implementation of the algorithm more challenging. In addition, the used constant piecewise regression trees have limited capabilities in extrapolating the target variable which can be important in real systems when new data goes outside the range of training data. This problem can be addressed by implementing linear regression trees as weak learners in GB.

6. CONCLUSIONS AND FUTURE WORK

In this work, the XGBoost implementation of Gradient Boosting algorithm was used to predict oil flowrates from a simple subsea production system under various field development strategies. The algorithm showed a performance comparable with a hardware multiphase flow meter and has a potential to be used as a back-up as well as a standalone solution for Virtual Flow Metering even provided with a small training dataset. Depending on the available dataset size and variability, K-Fold or early stopping cross-validation strategies can be used to obtain a good algorithm performance. Random search strategy of the algorithm selection combined with a careful parameter tuning produces good results of the flowrate predictions. The simulation results showed that by combining GB algorithm with the flowrate measurements from well testing over a wide operating range of the well, it is possible to make accurate flowrate predictions starting from an early production stage. The future work can address improvements of GB application for VFM by using linear regression tree models as weak learners, as well as challenges associated with the uncertainty of the flowrate measurements and limited data availability from the well tests.

Apart from improving the algorithm using more advanced learners, the future work may also address utilizing GB together with artificial neural networks within ensemble learning to make even better predictions. However, one should be careful when implementing this approach because it inevitably leads to a less explainable model. In addition, adding pressure and temperature data from other parts of production systems may also boost the performance. Potentially, installing more sensors for gathering algorithm training data and conducting rigorous well tests as proposed in this work can be less costly than investing into experiments for tuning first principle models or installing expensive hardware devices such as multiphase flow meters. This question should be addressed by companies when developing flowrate monitoring systems in existing and especially new fields.

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