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Subject: : Conservation

Topic: : who is Michael Krancer?

Re: who is Michael Krancer?

Author: : Gone4Day

Date: : 2011/3/26 0:15:50

URL:

Its not really "my" site Pat, its Baker Hughes, the industry standard. Their numbers are used by everybody from the media to service companies and regulators. If they are in error, let's prove it. With an army of anglers about to hit the streams, surely we can find some active rigs not listed. If they are as far off the mark as you suggest, it should be easy. I'd love to prove them wrong but I'll need more then 'I know of 6 shallow wells that are slated to be drilled'. Get me some GPS coordinates and the operator of active rigs not listed and I'll concede your point. Otherwise your just blowing smoke.

If you would have read a little more closely, I said pads not wells. As you mentioned, now they are putting 6-12 wells on each pad. Hence, fewer pads. And of course, last years data shows, a horizontal rig does not sit on the same spot for 3 years, 9-12 months maybe, 18 at most, and then its off to the next pad.

Its not like the old days when they drilled a reservoir, slapping in a well every 500 yards or less, now they are drilling the seal, getting 1000's of feet of 'pay' instead of a few hundred per well. Back in 2008 there were only a few horizontal rigs in the state and over 4600 wells were completed. Recessions don't help and only about 2500 were completed in 2009. By 2010 nearly all the vertical & directional rigs had been replaced with newer, horizontal rigs. Less then 300 wells were completed by conventional rigs while nearly 1200 wells were completed by horizontal rigs.

Since all the remaining conventional rigs seem to be in the most active devonian shale regions, my guess is they are either drilling pilot holes for horizontal rigs or trying to lock in leases before they expire. But in one way you are correct. They completed 1200 horizontal wells last year, but with 5-10X as much 'pay' per well, its the equivalent of drilling 8000 conventional ones.

PA gained 2 horizontal rigs this week, lost one vertical but gained a new thermal. What the heck is a thermal well and what's it doing in Westmoreland county?

<http://thoughtcatalog.com/2011/how-to-have-a-rational-discussion/>