NetRA Resources Assessment (NetRA)¹

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Setting: NetRA Context/Background


- Provide inventories and assessments of energy and mineral resources
- Understand the effects of energy and mineral development on natural resources and society

Secretarial Order 3330 (October 31, 2013):

- “The Order will ensure consistency and efficiency in the review and permitting of new energy and other infrastructure development projects
- …while also providing for the conservation, adaptation and restoration of our nation’s valuable and natural and cultural resources.”

Net Resource Assessment:

- NetRA is an analytical component of a Multi-Resource Analysis
- Will be a Decision Support Tool (DST)

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Current societal decision making demands:
• An expansion of natural resource assessments to include ecosystem services—why?

USGS Organic Act
USFS Organic Administration Act
Environmental laws passed in the last 45 years!
• Suggest the Organic Act would have a broader focus

USGS Resource Assessments can be Broadened:
• By developing a Decision Support Tool (DST) oriented conceptual framework
• Which assesses the benefits, costs and societal tradeoffs associated with the collocation of natural resources and ecosystem services

DST Provides a Tool for Policy Analysis with Simulation Capabilities:
• The system dynamics model allows for the simulation of multiple resource development scenarios
• Provides a comparative analysis of the outcomes of different policies and practices

Integrated Science, Economics & Policy is Required to find the Balance!!
NetRA Capabilities

The NetRA is initialized with USGS natural resource and ecosystem data

NetRA Capabilities:

• Integrates multiple collocated resources
  • To develop useable and useful development scenarios

• Contains both spatial and temporal components
  • To estimate the net societal benefits for a scenario of regional natural resource development

• Applies DST systems dynamics model
  • To evaluate specific resource development scenarios
    • ...which results from landscape conversion
Site Selection Process

Site Selection Criteria:
• Active or potential development
• Ecosystem services/trade-offs of interest
• Collocated
• Public land
• Available data
• Potential Decisions (BLM decision process)

Candidate Sites:
• Greater Green River Basin
• San Juan Basin
• Piceance Basin
• Bakken Shale Formation
• Uranium Time-Out Area

Site:
• Piceance Basin selected
• Site approved by USGS Director
Resource Assessment Units - RAU
- Reserves available under current economics conditions, for production of energy and mineral
- Areal unit for estimation of natural resources

Study Site RAU
- Tight Gas (Sand)

Ecological Assessment Unit – EAU
- Geographic boundaries, surface and subsurface components
- Clearly identifiable/measurable ecosystem services

Possible Study Site EAUs
- Habitat Fragmentation
- Water Quality
- Large Fauna (Elk)
Overview of Decision Support Tool

• What will our Decision Support Tool (DST) (i.e. our conceptual framework) do?
  • Incorporate biology, ecology, geology, hydrology, economics, and engineering
  • Integrates natural resource / economics value concepts, methods, and data
  • Couples models and scientific data with market and nonmarket prices

• A Decision Support Tool:
  • Estimates the net societal benefits of all natural resources developed and preserved
  • Apply at multiple scales (large and within a region)
    • Temporal
    • Can operate in multiple regulatory constraint frameworks
The Decision Support Tool:

- Systems are modeled as a network of stocks and flows
- Feedbacks are key between the various stocks and flows comprising the system
- Temporally dynamic (e.g. annual time step) and spatially aggregated (e.g. regional scale)
Production Function Model

Yellow—Data source is yet to be determined
Orange—No function assigned as of yet
Hydraulic Fracturing Sub-models

Flow Rate Model
- Wellbore radius
- Net Pay Thickness
- Drainage Radius
- Skin Factor
- Darcy Non-Flow Constant
- Number of Wells
- Average Reservoir Pressure
- Reservoir Temperature
- Flowing Pressure
- Temperature Gradient
- Formation Depth

Production Model
- Production
- Total Hydraulic Fracturing Length
- Vertical to Horizontal Fracture Ratio
- Number of Transverse Fractures
- Fracture Half Length

Total Cost Model
- Total Cost
- Hydraulic Fracturing Cost
- Horizontal Drilling Cost
- Drilling Cost Rate
- Number of Wells
- Linear Distance
- Formation Depth
- Number of Wells

Hydraulic Fracturing Model
- Gas In Place
- In Situ Stress
- Total Area of Assessment Unit
- Development Area
- Percent Developed
- Total Pads
- Total Pad Acres
- Well Pad Density
- Lateral Transition Length Per Well
- Horizontal Borehole
- Hydraulic Fracturing Cost
- Hydraulic Fracturing Cost Rate
Status and Next Step

• **Proof of concept:**
  - Realization of a certain method or idea to demonstrate its feasibility… who’s purpose is to verify that some concept… has the potential of being used

• **Inputs:** Data resolution, map scales, and model compatibility will be evaluated
  - Data and model gaps will be identified
    - Earth science for natural resource stocks, engineering economics, biophysical and ecological data for ecosystem services stocks, market prices, regulations, and nonmarket values

• **Output:** A limited modeling framework that demonstrates the functionality of the DST

• **Example:** *Stepping backwards to make a leap forward*

  Model of oil and gas drill pads and resource roads overlying National Aerial Imagery Program (NAIP) imagery, near Rifle, Colorado, 2007 (USGS sir20105064 2010)
Thank You

NetRA: Integrated Science, Economics & Policy to find a Balance