

## Original Paper

# Application of New Generation Information Technology in Oilfield Intelligent Ecology

Jiayi Zhang<sup>1\*</sup>, Yupu Wang<sup>1</sup>, Hongtao Deng<sup>1</sup>

<sup>1</sup> School of Petroleum Engineering, Xi'an Shiyu University, Shaanxi, China

\* Jiayi Zhang, School of Petroleum Engineering, Xi'an Shiyu University, Shaanxi, China

Received: June 28, 2024

Accepted: July 21, 2024

Online Published: August 2, 2024

doi:10.22158/asir.v8n3p137

URL: <http://doi.org/10.22158/asir.v8n3p137>

### **Abstract**

*With the growth of global energy demand and the increasing depletion of oilfield resources, oilfield intelligence has become a key means to improve production efficiency, reduce costs, enhance safety and protect the environment. This paper explores the application of next-generation information technologies in the oilfield intelligence ecosystem, including Internet of Things (IoT), big data analytics, artificial intelligence (AI) and machine learning (ML), cloud computing, edge computing, and blockchain technologies. These technologies play an important role in smart drilling, smart production, smart maintenance and smart management. For example, IoT sensors are used to monitor drilling equipment in real time, AI/ML optimises drilling parameters, big data analytics improves production efficiency, cloud computing supports real-time data processing, edge computing enables equipment failure prediction, and blockchain technology improves supply chain management. Studies have shown that new-generation information technology significantly improves oilfield productivity, reduces operating costs, enhances safety, and promotes environmental protection. However, these technology applications also face challenges such as data security, system integration, talent training and high initial investment. This paper proposes countermeasures to strengthen technology research and development, formulate policies and standards, and promote cross-industry cooperation.*

### **Keywords**

*New generation information technology, Oilfield intelligence, big data, artificial intelligence, cloud computing*

## **1. Introduction**

Information technology is advancing rapidly, and the wave of informatization characterized by digitization, networking, and intelligence is flourishing. Global informatization has entered a new stage

of comprehensive penetration, cross-border integration, accelerated innovation, and leading development. At the 2021 Science and Information Technology Innovation Conference, China National Petroleum Corporation proposed to accelerate the pace of digital transformation and intelligent development, and to fully build "Digital China Petroleum" by 2035. In the report of the 19th National Congress of the Communist Party of China, information related content was mentioned eight times, pointing out that we should be good at using Internet technology and information technology to carry out work and promote the deep integration of the Internet, big data, artificial intelligence and the real economy. China Petroleum has incorporated informatization into the goal system of building a comprehensive international energy company, and listed it as one of the important guarantee measures for implementing the "resource, market, and internationalization" strategy.

As a crude oil production enterprise, oil fields are facing practical problems such as high oil extraction costs, declining personnel, and job shortages. The traditional production management model is no longer suitable for development needs. The application of information technologies such as the Internet of Things, big data, cloud computing, and artificial intelligence, vigorously promoting digital and intelligent construction, and promoting the transformation of production management models, is the only way for oil fields to solve problems and achieve sustainable and high-quality development [1-2].

## **2. Overview of New Generation Information Technology**

The new generation of information technology plays a crucial role in various fields of today's society, especially in the intelligent ecosystem of oil fields. Their application significantly improves production efficiency, reduces operating costs, and enhances security and environmental protection capabilities. These technologies include the Internet of Things (IoT), big data and data analysis, artificial intelligence (AI) and machine learning (ML), cloud computing, edge computing and blockchain technology [3].

The Internet of Things (IoT) is a technology that connects the physical world with the digital world through sensors, devices, and networks. The application of IoT in oil fields is reflected in multiple aspects, such as real-time monitoring of oil field equipment, environmental conditions, and production processes. By installing sensors on drilling equipment, pipelines, and storage tanks, IoT can collect large amounts of data and transmit it in real-time to monitoring systems. These data can not only be used for real-time monitoring and management, but also for optimizing production processes, predicting equipment failures, and avoiding potential safety hazards through historical data analysis.

Big data and data analysis technology play a crucial role in the intelligence of oil fields. With the popularity of IoT devices, the amount of data generated in oil fields is growing exponentially. Big data technology can efficiently collect, store, and process massive amounts of data, and through complex data analysis algorithms, uncover valuable information hidden within the data. For example, by analyzing historical production data and environmental data, the production plan of oil fields can be optimized, resource utilization can be improved, and production costs can be reduced. In addition, big

data analysis can help oilfield management make more scientific decisions and improve overall operational efficiency.

The application of artificial intelligence (AI) and machine learning (ML) technologies in oilfield intelligence is becoming increasingly widespread. AI and ML can automatically recognize patterns, predict future trends, and provide intelligent decision support through learning and training on large amounts of data. In oil fields, AI and ML technologies can be used to optimize drilling parameters, predict oil well production, detect equipment failures, and more. For example, through real-time analysis of drilling data, AI systems can automatically adjust drilling parameters, improve drilling efficiency, and reduce non production time. Machine learning algorithms can also predict the failure time of equipment by analyzing its historical operating data, arrange maintenance in advance, and avoid production interruptions caused by sudden failures.

Cloud computing technology provides powerful computing and storage capabilities for the intelligence of oil fields. The traditional methods of oilfield data processing and storage are no longer able to meet the needs of massive amounts of data, while cloud computing provides efficient, flexible, and scalable solutions by centralizing computing and storage resources in the cloud. Through cloud computing, oilfield enterprises can store data in the cloud, access and analyze data anytime and anywhere, saving a lot of hardware investment and maintenance costs. In addition, cloud computing also supports large-scale parallel data processing and complex analysis tasks, improving the efficiency and accuracy of data processing.

Edge computing is a supplement to cloud computing, especially in scenarios requiring real-time processing and low latency. Edge computing realizes local processing and analysis of data by distributing computing tasks to edge nodes close to data sources. For oil fields, edge computing can conduct real-time data processing and analysis on field equipment, reduce data transmission delay and improve response speed. For example, during the drilling process, edge computing can analyze sensor data in real time, detect abnormal conditions and take immediate measures to ensure the safety and efficiency of the drilling process.

Blockchain technology has shown great potential in oilfield supply chain management. Blockchain ensures data transparency and security through decentralized and tamper proof distributed ledger technology. In the oil field supply chain, blockchain can record transaction information at every stage, ensuring the authenticity and traceability of data. For example, data from every link from raw material procurement, equipment transportation to the production process can be recorded on the blockchain to prevent data tampering and fraudulent behavior. In addition, blockchain technology can simplify contract management and payment processes in the supply chain, improving the efficiency of the supply chain.

### **3. The Specific Application of New Generation Information Technology in Oilfield Intelligence**

The specific application of new generation information technology in the intelligentization of oil fields

has significantly changed the operation mode of traditional oil fields, promoting the improvement of production efficiency, cost reduction, and enhancement of safety and environmental protection. The transition from digital oil fields to intelligent oil fields is an iterative upgrade process. Digital oil fields mainly solve the problem of digitalization in oil and gas fields, and realize the digital management of on-site well stations, warehouses, and other supporting facilities. Intelligent oil fields, on the other hand, fully integrate advanced information technologies such as the Internet of Things, big data, and artificial intelligence with fields such as exploration, development, and production operations to achieve automatic perception of oil field dynamics, automatic control of oil field operations, automatic prediction of changing trends, continuous optimization of management, and assistance in scientific decision-making, greatly reducing personnel labor intensity.

The application of Internet of Things (IoT) technology in oil fields is mainly reflected in real-time monitoring and data collection. By installing various sensors on key facilities such as drilling equipment, pipelines, and storage tanks, IoT can collect real-time data on equipment operating status, environmental conditions, and production parameters. These data are transmitted wirelessly to the central control system for real-time monitoring and remote management. For example, Shell has deployed thousands of sensors in one of its oil fields located in the United Arab Emirates, which can monitor real-time parameters such as oil well pressure, temperature, and flow rate, helping engineers detect and solve potential problems in a timely manner, avoiding production interruptions and equipment damage. In addition, IoT can also be used for environmental monitoring, such as detecting the air and water quality around oil fields to ensure that the production process meets environmental requirements.

Big data and data analysis technology play a crucial role in the intelligence of oil fields. The large amount of data generated during oilfield production can be efficiently collected, stored, and processed through big data technology to uncover valuable information hidden within the data. For example, BP optimized the production plan of an oil field in the Gulf of Mexico by analyzing its historical production and environmental data, improving resource utilization and reducing production costs. Big data analysis can also help oilfield management make more scientific decisions, such as predicting oil well production and evaluating oilfield development potential. In addition, big data technology can also be used for equipment maintenance. By analyzing the operating data of equipment, predicting the time of equipment failure, scheduling maintenance in advance, and avoiding production interruptions caused by sudden failures.

The application of artificial intelligence (AI) and machine learning (ML) technologies in oilfield intelligence is becoming increasingly widespread. AI and ML can automatically recognize patterns, predict future trends, and provide intelligent decision support through learning and training on large amounts of data. In oil fields, AI and ML technologies can be used to optimize drilling parameters, predict oil well production, detect equipment failures, and more. For example, ExxonMobil utilizes AI technology to optimize drilling parameters. Through real-time analysis of drilling data, the AI system

can automatically adjust drilling parameters, improve drilling efficiency, and reduce non production time. Machine learning algorithms can also analyze the historical operating data of equipment, predict the time of equipment failure, arrange maintenance in advance, and avoid production interruptions caused by sudden failures.

Cloud computing technology provides powerful computing and storage capabilities for the intelligence of oil fields. The traditional methods of oilfield data processing and storage are no longer able to meet the needs of massive amounts of data, while cloud computing provides efficient, flexible, and scalable solutions by centralizing computing and storage resources in the cloud. Through cloud computing, oilfield enterprises can store data in the cloud, access and analyze data anytime and anywhere, saving a lot of hardware investment and maintenance costs. For example, China National Petroleum Corporation (CNPC) uses cloud computing platforms to process and analyze large amounts of sensor data in real-time, helping management to understand production situations in a timely manner and make scientific decisions. In addition, cloud computing also supports large-scale parallel data processing and complex analysis tasks, improving the efficiency and accuracy of data processing [8].

Edge computing is a supplement to cloud computing, especially in scenarios requiring real-time processing and low latency. Edge computing realizes local processing and analysis of data by distributing computing tasks to edge nodes close to data sources. For oil fields, edge computing can conduct real-time data processing and analysis on field equipment, reduce data transmission delay and improve response speed. For example, Chevron deployed edge computing equipment in an oil field located in Texas, USA, to analyze sensor data in real time, detect abnormalities and take immediate measures to ensure the safety and efficiency of the drilling process.

Blockchain technology has shown great potential in oilfield supply chain management. Blockchain ensures data transparency and security through decentralized and tamper proof distributed ledger technology. In the oil field supply chain, blockchain can record transaction information at every stage, ensuring the authenticity and traceability of data. For example, Equinor, the Norwegian national oil company, uses blockchain technology to record data at every stage of the production process, from raw material procurement and equipment transportation, to prevent data tampering and fraud. In addition, blockchain technology can simplify contract management and payment processes in the supply chain, improving the efficiency of the supply chain.

The specific application of new generation information technology in oilfield intelligence not only improves production efficiency and operational management level, but also enhances safety and environmental protection capabilities. These technologies work together to form an efficient, intelligent, and sustainable oilfield ecosystem. However, with the continuous development of technology, oilfield enterprises are also facing challenges such as technology integration, data security, and talent cultivation. Continuous investment and innovation are needed to fully unleash the potential of these technologies and achieve the comprehensive transformation of oilfield intelligence.

#### **4. Challenges and Countermeasures of New Generation Information Technology in Intelligent Ecological Application of Oilfield**

The new generation of information technology faces many challenges in the intelligent ecological application of oil fields, but through effective countermeasures, these challenges can be overcome, thereby achieving comprehensive intelligence and sustainable development of oil fields. Firstly, the complexity of technology integration is a major challenge. Oilfield intellectualization requires the organic combination of Internet of Things, big data, artificial intelligence, cloud computing, edge computing, blockchain and other technologies. However, these technologies are typically provided by different vendors, and compatibility and interoperability issues between them may lead to difficulties in system integration. To address this issue, oilfield companies need to establish unified technical standards and interface specifications to ensure seamless integration between different technologies and equipment. In addition, establishing an open ecosystem and encouraging technology suppliers to collaborate in developing compatible solutions is also an important way to achieve technology integration.

Data security and privacy protection are another important challenge. In the process of oilfield intelligence, the collection, transmission, and storage of massive data increase the risk of data leakage and network attacks. To address this challenge, oilfield enterprises need to adopt advanced network security technologies and strategies, such as encryption, access control, intrusion detection, and firewalls, to ensure the security and integrity of data. Regularly conducting security audits and risk assessments to promptly identify and patch security vulnerabilities is also an important measure to ensure data security. In addition, oilfield enterprises also need to comply with relevant data protection regulations to ensure that data privacy is fully protected.

Talent shortage is another major challenge facing the intelligentization of oil fields. The application of new generation information technology requires high-quality talents with professional knowledge and skills, while traditional oilfield enterprises have relatively insufficient reserves in this regard. To solve this problem, oilfield enterprises need to increase their efforts in talent cultivation and introduction. On the one hand, by collaborating with universities and research institutions to establish specialized training programs, we aim to cultivate professional talents with knowledge in technologies such as the Internet of Things, big data, and artificial intelligence. On the other hand, by offering attractive salaries and benefits, we can attract outstanding external talents to join. In addition, skill enhancement training for internal employees is also essential. By regularly organizing training and learning, the technical level of existing employees can be improved to meet the needs of intelligent development.

In the process of intelligentization in oil fields, upgrading and transforming equipment and infrastructure is also a major challenge. Traditional oilfield equipment and infrastructure often lack the functionality and performance required for intelligence, and require large-scale upgrades and renovations. This not only requires a large amount of capital investment, but may also lead to production interruptions and operational risks. To address this challenge, oilfield companies can adopt a

phased and gradual upgrading strategy, prioritizing the upgrading of key equipment and facilities to ensure production continuity and stability. At the same time, by collaborating with equipment suppliers and technical service providers, detailed upgrade and renovation plans are developed, time and resources are reasonably arranged, and the risks and costs of upgrade and renovation are reduced [10]. In addition, the intelligentization of oil fields also needs to overcome the problems of data quality and standardization. The data generated in the oil field production process is diverse, with complex sources, uneven data quality, and a lack of unified standards and specifications, which poses difficulties for data analysis and utilization. To address this issue, oilfield enterprises need to establish a comprehensive data management system, develop unified data standards and specifications, and ensure the accuracy, consistency, and completeness of data. By introducing data governance tools and technologies, data can be cleaned, verified, and integrated to improve data quality and utilization efficiency.

Faced with these challenges, oilfield enterprises still need to strengthen innovation and research and development investment, constantly explore and apply new technologies, and enhance their level of intelligence. For example, by introducing advanced artificial intelligence algorithms and machine learning models, the accuracy and efficiency of data analysis and prediction can be improved; Real time data processing and response are realized by deploying edge computing devices; By applying blockchain technology, enhance the transparency and security of supply chain management.

## 5. Conclusion

Digital transformation is a complex and massive systematic project that requires careful sorting and research of a company's organization, processes, and business models. From overall planning to implementation, every link requires the full cooperation of various departments and units. All employees of the oilfield company must deeply participate and promote each other to promote the digital transformation of the oilfield company. The digital transformation and intelligent development of oil fields are a long and arduous task that requires tailored measures and long-term efforts.

## Fund Project

Supported by Shaanxi Province College Students' Innovation and Entrepreneurship Training Program  
Project: S202310705067

## References

- [1] Yang Guangqiao, Liu Bingfeng, Xu Xiaolong. Exploration of Intelligent Management and Application of Oilfield Equipment. *Petrochemical Technology*, 2024, 31(06), 303-305.
- [2] Cao Zhimin. Digital Construction of Oilfield Based on Internet of Things Technology. *Automation Application*, 2024, 65(S1), 467-469.
- [3] Chen Chen, Zhang Yixin, Li Zelin. Intelligent Oilfield Construction and Application Based on Unmanned Mode. *Automation Application*, 2024, 65(09), 4-7.

- [4] Peng Cheng, Liu Hao, Li Shuo. Research on the Application of Information Technology in the Digital Transformation of the Oil and Gas Industry. *China Petroleum and Chemical Standards and Quality*, 2024, 44(06), 181-183.
- [5] Xu Xiaozhou. A Brief Discussion on the Systematic and Intelligent Application of Drilling and Completion Data in Bohai Oilfield. *Petrochemical Technology*, 2024, 31(03), 97-99.
- [6] Deng Peiqing. Analysis of Difficulties and Countermeasures in Intelligent Oilfield Construction. *Petrochemical Technology*, 2024, 31(03), 314-315+228.
- [7] Li Zhankui, Zhang Heng, Zhang Xuebin, et al. Intelligent establishment method and application of Neogene stratigraphic profiles in Bohai Oilfield. *Logging Engineering*, 2024, 35(01), 22-26.
- [8] Qiao Sen. Application Analysis and Research of Big Data in Intelligent Oilfield. *Neijiang Technology*, 2024, 45(02), 13-14.
- [9] Xiong Liwei. Suggestions for Driving Digital Oilfield Construction with IoT Technology. *Information Systems Engineering*, 2024(02), 93-96.
- [10] Zhang Qingdong. Intelligent Construction Plan and Measures for Oilfield Joint Station. *Automation Application*, 2023, 64(23), 4-6.
- [11] Song Chengkun. Prospective Study on the Digital Transformation and Intelligent Development of Liaohe Oilfield. *Petrochemical Technology*, 2023, 30(02), 211-213.