Water recycling in the oil field – how one service company does it



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A Select Energy Services Solution





Presentation Outline

Outline

- Different frac's use different chemistry
- Water quality needs Chem 101
- Treatment techniques
 - Low-level
 - Mid-level
 - High-level
- Bonus challenges



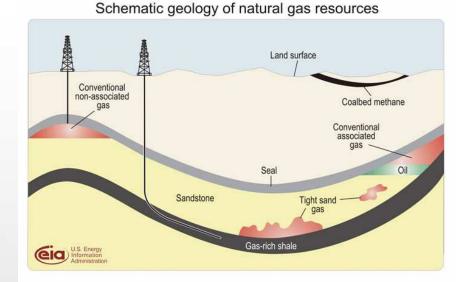




Frac – different flavors

Different formations need different frac strategy

- Geology
 - Shale/tight sandstone/porosity
 - Permeability
 - Minerals
 - Frac program:
 - Linear
 - Bilinear
 - Radial
- Vertical Well
 - More often use simpler chemistry
- Horizontal Well
 - More often use complex chemistry fracs







Frac chemistry – it varies

What are the different types of frac packages?

- Slick
 - Forgiving chemistry (FR)
 - Consumes more water/stage
 - Minimal treatment

•Gel

- Variable complex chemistry
- Variable treatment needs
- More water efficient/stage
- Crosslink Gel
 - Complex chemistry
 - Highest water quality needs





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What happens if I can't use fresh water and have contaminants? Frac contaminant chemistry 101

- Biological activity
 - •
 - •
- Turbidity (TSS + oil)
 - •
 - •
 - •
- Iron (Fe)
 - •
- Hardness & Sulfate
 - •
- Salts (including Boron)
 - .







- Biological activity
 - Slime formation (loss of conductivity)
 - H₂S formation (safety and quality loss)
 - Corrosion (acid byproduct corrosion of piping and equipment)







- Biological activity
 - Slime formation
 - H₂S formation
 - Corrosion
- Turbidity (TSS + oil)
 - Consumes friction reducer (chemical bill goes up)
 - Solids can plug gaps between propant (loss of conductivity)
 - Oil content is bug food during storage (water & well fouling)







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 - Can react and precipitates as a scale down hole (loss of conductivity)
 - Frac chemistry interference (particularly crosslinkers)







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- Hardness & Sulfate
 - Scaling (loss of conductivity)
 - Interference with frac chemistry (crosslinkers + hydration of FR)

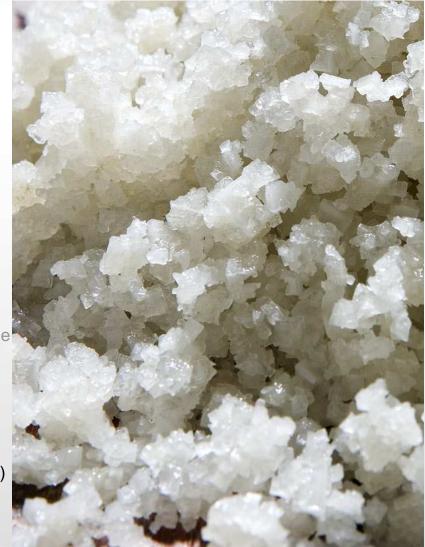






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- Salts
 - Affects frac chemistry (hydration & crosslinking)
 - Affects clay swelling (a good thing)



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uidity Treatment – what do I need???

Recycle treatment levels

- Low level: Basic
 - Forgiving system and more is not needed ٠
 - Willing to accept some risk ٠
- Mid level: Clean brine
 - Target contaminant removal ۰
 - Some risk mitigation •
- High level: Fresh water
 - All TDS removed •
 - Risk elimination ٠
 - Simplified water logistics ٠







Low level: Used for diluted and forgiving frac

- Bag filter
 - Pump through a pod with 50-100 micron sack filters
 - High rate and removes gravel, turtles, and twigs
 - Essentially no effect on anything else
- Bag filter + biocide
 - Same as above, plus sterilizes the water
- Field oxidation (CIO₂, H₂O₂, etc.)
 - Good sterilization
 - Harsh chemicals require some care to avoid sending residual oxidizer downstream
 - Can create a solids byproduct issue









Mid level: Clean Brine - Good enough for most frac's with low risk

- EC + chemical treatment
 - Electrical current to aid coagulation
 - Chemical addition for further treatment
 - Settling tanks and polish filtration
 - Removes turbidity, Fe, bugs, and some hardness







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 - Removes turbidity, Fe, bugs, and some hardness
- Mobile clarification
 - Chemical addition for solubility adjustment and flocculation
 - Settling chambers with inclined plates for turbidity removal
 - Removes turbidity, Fe, bugs, some hardness
 - Filter press to minimize solids dry cake solid waste





Mid level: Clean Brine – what if I want high rate treatment?

Oxidation + solids management

- CIO₂ oxidation, which is traditionally done for bio-kill.
- Also a good mid-level recycle treatment WHEN APPLIED CORRECTLY. Removes turbidity, iron, and sterilizes.
- Integrated.
- High rate treatment (40k bbl/day flowback. Same rate as frac with fresh water).
- Differentiating CIO2 approach
 - Professional. \$55MM development program.
 - 20 units.
 - Over 1000 inputs into the PLC for control.
 - Top safety integration.
 - Control every drop of water, not just a slip stream like most providers.







Water purification – High level: Good for all frac

- Oxidation plus membrane (OMNI)
 - Pretreat with: Ozone + chem-treat before membrane
 - Removes Fe, turbidity, bio, and some hardness
 - Oxidizes or removes membrane harming organics
 - Followed by membrane treatment
 - First banks of membrane removes all the hardness
 - Final bank of membranes remove TDS giving pure water
 - · Low TDS water: removed nearly all contaminants







Water purification – High level: Good for all frac – risk elimination

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• Thermal evaporation (NOMAD)

- Pretreat with mobile clarification
 - Remove Fe, turbidity, bio, and some hardness
 - Dry cake solid waste
- Distill with mechanical vapor recompression
 - High thermal efficiency (20X higher than simple boiling)
 - Distillate quality water some states allow to transfer/store/handle like fresh water









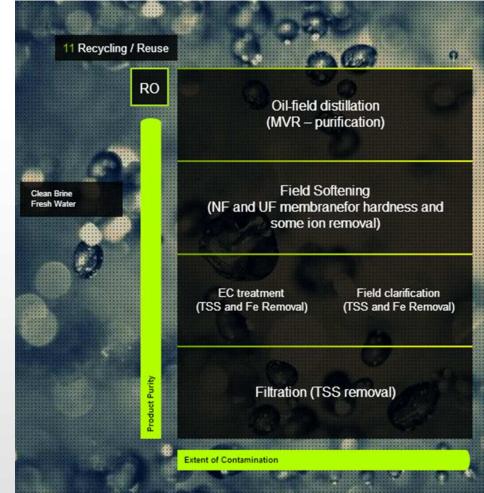
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Treatment – How to choose what

Points to remember

- Economics rarely sell recycling it's lack of availability that sells it
- There is no one-solution, because different frac calls for different quality water, that has different starting points.
- Select does not develop or own a water treatment technology – we partner with the developers and work with their operations to execute an overall project that includes the right treatment tech.





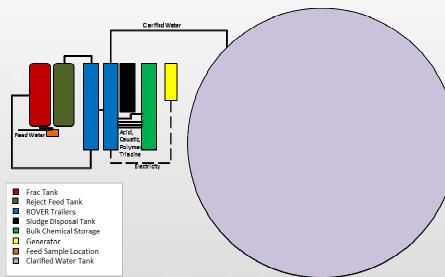


Permian 2013 Water Recycle Case Study

Project lead - John Jaskula

CBM 9/2013





Purpose: Insufficient fresh water, so recycle high H₂S produced water for frac
Who: Apache
Job: Mob/Demob to central site and produce
250,000 BBL for use in a 4 well frac program
When: May - July 2013
Where: Notrees TX, Permian Region
What: Fountain Quail ROVER system + H₂S agent;
Big Holdings containment; transfer
How: Neutralize H₂S; remove turbidity & Fe; kill bacteria; make clean high TDS reuse water for frac; inventory in tank; minimized solids waste

Result: Wells frac'd on schedule and on budget. Just starting another 40 well treatment campaign with same customer using the ROVER.





BONUS Water Challenges

Additional oilfield water challenges to manage

- Sulfide laden water management
 - Oxidize (ClO₂, H₂O₂, Ozone)
 - Sequester (Agent)
- Stagnant water pit souring
 - Manage by aeration to oxygenate and prevent SRB from souring
- Pit volume uncertainties
 - 1-time Remote boat surveys with soundings for pit depth mapping
 - Real-time depth monitoring sensor with satellite coms.
- Zero liquid discharge
 - Complete elimination of all liquid streams it's an option.
- Overall water program management
 - Service providers: Source, transfer, containment, monitoring, tre atment, disposal.









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