# Recovery of weathered crude from large oil pits: Case Study

22<sup>nd</sup> International Petroleum & Environmental Conference Denver, CO 17-19<sup>th</sup> Nov, 2015 Krishna Vangala Senior Environment Engineer Soil Remediation Group Kuwait Oil Company

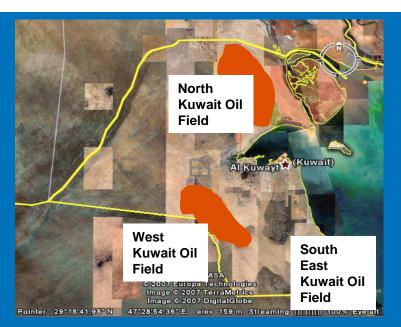


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#### **Regional Settings**

• 3 million Bbls/day production

- Harsh climate (21-129 <sup>o</sup>CF)
- High Wind speeds
  - Sand erosion
  - Sand storms
- Prior oil recovery projects
  - Limited pilots/demo studies
  - No in-country vendors/labs
- Unfavorable site conditions
  - Weathered contamination
  - Heavier fractions/Ashphaltin/ Paraffins/Waxes
  - Operational constraints







### **Historical Practices**

Crude Oil Pits (needed for operational reasons)

- During periods of shutdown and maintenance for the disposal of oil and sludge;
- To dispose of oil resulting from spills & leaks

Crude Oil Pits (Historic) turned Weathered Oil Pits

- Excess disposal/Filled full resulted into discarded pits over period of decades.
- Legacy of previous KOC operational practices (30-40 Yrs ago with limited technologies available)

In-house recovery plants installed for daily operational needs and to solve the build up of oil levels in pits .



Sludge Pit



**Oil Recovery Plant** 



## KOC's in-house oil recovery plants

Two oil recovery units exists within the company's field areas

- Mostly deal with fresh crude oil disposed in pits
- Basic Treatment : Filtration, Settling, pumping
- Heat Treatment done in winter and as needed.
- Criteria followed is BS&W
- Capacity of first plant : 1000 Bbls/day
- Capacity of second plant : 2000-3000 Bbls/day
- Some times oil disposal far exceeds the inhouse recovery plants.



Sludge Pit



**Oil Recovery Plant** 



### **Characteristics of Crude Oil Pits**



#### Oil Pits

- Large Size with a size ranging from :
- 80m \* 100 m
- 300 m X 300 m
- Depths ranging from 1-5m
- 33 sludge pits of varying size



- Earthen bunded features
- The Pits consists of free/floating oil on the surface, saline effluent underneath and oily sludge at the base of the feature and contaminated soil.
- Seen significant reduction in creation of new pits due to improved technologies of new facilities.



### Oil Pits taken up for recovery - Quantification



Weathered Crude Pit A

Free Phase Oil = 100,000 Bbls

Sludge = 25,000 cu.m

Contaminated Soil = 60,000 cu.m



Weathered Crude Pit B

Free Phase Oil = 750,000 Bbls

Sludge = 100,000 cu.m

Contaminated Soil = 150,000 cu.m



Weathered Crude Pit C

Free Phase Oil = 150,000 Bbls

Sludge = 30,000 cu.m

Contaminated Soil = 75,000 cu.m

#### **Estimated Recoverable Free Phase Oil : 1 million BBIs**

### Weathered Crude Pit - Aerial View











### WATER RESOURCES

## Groundwater

Shallow, unconfined perched aquifer Saline –

Well depth: 13m - 26m

Groundwater: 4.40m bgl – 21.00m bgl =

#### **Surface Water**

No natural features –

Spirit of the Desert and Desert Oasis –

Considered to be out of the zone influence

#### Gatch Pit surface water -

- Exposed groundwater •
- Supports flora & fauna •









### RESULTS OF WATER SAMPLING PROGRAM GROUNDWATER

#### - Saline

- Elevated concentrations but attributed to background conditions (saline groundwater):
  - Sodium
  - Manganese
  - Chloride
- Non-detectable or not present to any substantial degree:
  - Metals (exception B, Ba)
  - РАН
  - трн
  - VOCs
  - Elevated concentrations but potentially naturally occurring
    - Boron
    - Barium







### WEATHERED CRUDE CHARACTERISTICS

|      | Parameter            |       | Results |       |       | Represe    |            |
|------|----------------------|-------|---------|-------|-------|------------|------------|
| S.No |                      | Unit  | N 41    |       |       | ntation of | Period of  |
|      |                      |       | Min.    | Max.  | Avg.  | no.        | sampling   |
|      |                      |       |         |       |       | samples    |            |
| 1    | API Gravity          | o     | 7.00    | 15.40 | 12.68 | 11         | Jun 2013 - |
|      |                      |       |         |       |       |            | Aug 2014   |
| 2    | Olefins              | mg/kg | n.d.    | n.d.  | n.d.  | 92         | Jun 2014 - |
|      |                      |       |         |       |       |            | Apr 2015   |
| 3    | Salt                 | РТВ   | 78      | 912   | 312   | 92         | Jun 2014 - |
|      |                      |       |         |       |       |            | Apr 2015   |
| 4    | BS&W                 | % v/v | 1.20    | 6.00  | 3.22  | 92         | Jun 2014 - |
|      |                      |       |         |       |       |            | Apr 2015   |
| 5    | Total Sulfur         | mass% | 3.65    | 3.74  | 3.69  | 7          | Apr 2015   |
|      | Bacteria             |       |         |       |       |            |            |
| 6    | (Heterotrophic cfu/L | n.d.  | n.d.    | n.d.  | 7     | Apr 2015   |            |
|      | Plate Count)         |       |         |       |       |            | -          |

n.d = Non Detect



### DETAILED WEATHERED CRUDE CHARACTERISTICS

| S.No | Parameter     | Unit     | Value |  |
|------|---------------|----------|-------|--|
| 1    | API Gravity   | o        | 14.17 |  |
| 2    | Density @ 25  | Gm/cu.cm | 0.964 |  |
| 3    | Salt          | PTB      | >150  |  |
| 4    | Water content | % wt     | 1.234 |  |
| 5    | Total Sulfur  | % wt     | 3.94  |  |
| 6    | Dissolved H2S | ppm      | <0.01 |  |
| 7    | Saturates     | % wt     | 33.65 |  |
| 8    | Aromatics     | % wt     | 47.01 |  |
| 9    | Resins        | % wt     | 9.09  |  |
| 10   | Ashphaltene   | % wt     | 10.25 |  |
| 11   | Wax content   | % wt     | 9.59  |  |

| Kinematic<br>Viscosity | Value (cSt) |  |  |
|------------------------|-------------|--|--|
| @20°C                  | 23378       |  |  |
| @40°C                  | 1659        |  |  |
| @60°C                  | 352         |  |  |
| @80°C                  | 117         |  |  |
| @100°C                 | 51          |  |  |



## **OIL RECOVERY SCOPE**

#### What to do with the treated oil?

• To be handed back to Company as per Senior Management Directive.

#### What quality it should be treated to?

- Export Quality : Not feasible with BAT
- Well head Crude Quality : Dilution with fresh crude

#### What are the treatment capacities to build?

- Verification of volumes & quality
- Storage requirements

#### How would the mixing be carried out

- Maximum allowed dilution factor
- Location of tie-in



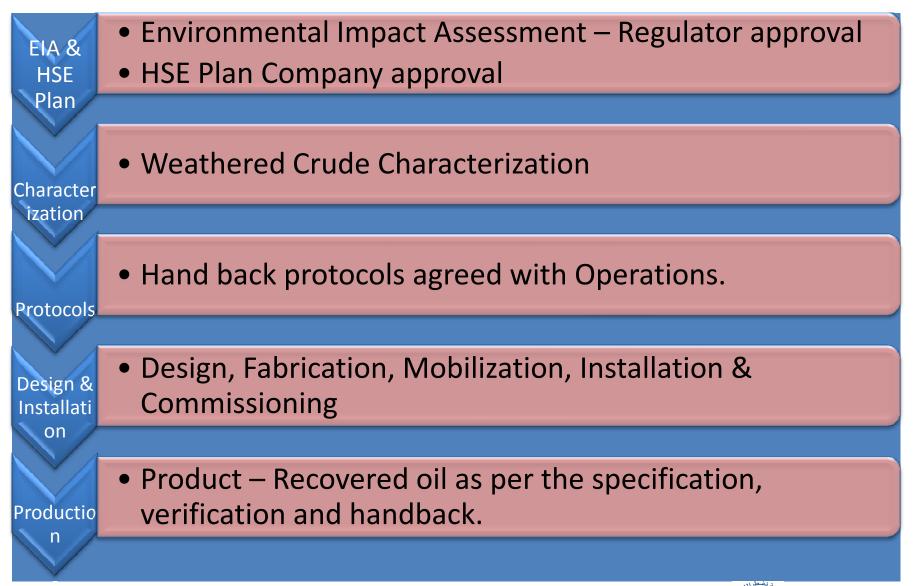
### Oil Recovery Specifications given by KOC

| Parameter   | Export<br>Crude | Inlet to Gathering<br>Center for<br>Treatment |
|-------------|-----------------|---|
| • API       | 28-32           | -   |
| Salt        | 10 PTB          | 1470 PTB                                      |
| • BS&W      | 0.1%            | 2   |
| Hydrocarbon | 99.9%           | 98%   |
| Olefins     | Nil             | Nil   |
| • RVP       | 10 PSI          | -   |

**Quantity for GCs : Upto 2000 Barrels of recovered Oil /day** 

At this rate of throughput, it would take 1.5 years to treat entire amount of 1 million Bbls of Oil.

### **Recovery of Oil : Preparatory Issues**





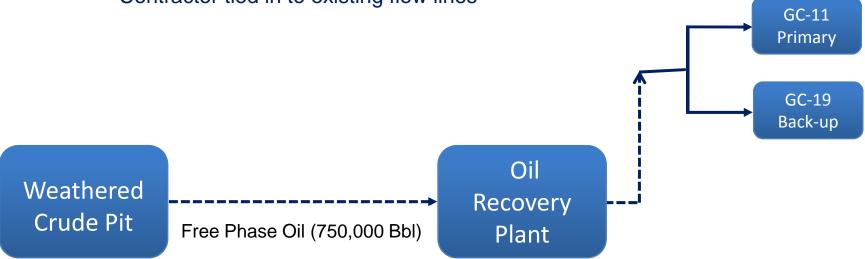
### Weathred Crude recovery – Contract

#### • Oil within Pit

 If characterized as "Free Phase Oil" (≤20% BS&W) shall be treated and handed back to the Company.

Quality

- Contractor to treat oil to GC inlet quality.
  - BS&W ≤2%
  - Salt 1470 PTB (max)
  - Olefins Nil
- Quantity
  - Maximum discharge to the Company of 4000 bbls / day
- Delivery
  - Pumped to Company's production facility via flow line into low pressure header.
  - Contractor tied in to existing flow lines

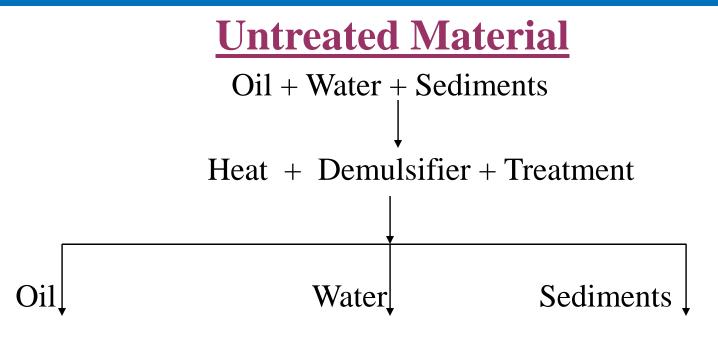


### **Return on Investment of this Oil Treatment**

| Scenario  | Volume       | Cost                                  |  |
|---|--------------|---------------------------------------|--|
| Weathered Crude Oil<br>Treatment & Transfer to<br>Company | 840,000 Bbls | \$ 29.4 million                       |  |
| Recovered Oil Value                                       | 840,000 Bbls | \$ 84 million (assumed \$ 100<br>Bbl) |  |
| Net gain to the Company                                   | 840,000 Bbls | \$ 54 million                         |  |

Not only the cost savings but green option as well.

### **Treatment Concept applied for Weathered Crude**





### **Installation & Commencement of Oil Recovery**

- Contractor commenced treatment and hand back of oil on 14<sup>th</sup> August 2014.
- Process Plant had initial problem meeting BS&W criteria, initially operated with a capacity of 1,500 Bbls / day to Contract Specification. Further enhancements were done and increased the capacity to 2,500 Bbls / day.
- Operational constraints led to handback of only 250 500 Bbls / day.
- Processed and handed back only 45,000 Bbls out of 1 million Bbls



#### **Oil Recovery Strategy : Handover Protocols**

| Recovery<br>Activities                                       | CONTRACTOR  | CONTROLLING<br>TEAM  | Company LAB   | Receiver<br>CONTROL  |
|--|---|--|---|--|
| 1. Quality<br>Verification at<br>Storage Tank                | Formal Request to witness oil sampling  | Verify sampling &<br>transport 100%<br>duplicate samples to<br>KOC Lab                                       | Analysis of Samples<br>& Results to<br>Controlling Team | No Action  |
| 2. Transfer<br>Notification<br>(Quality, Time &<br>Quantity) | Issue Transfer<br>Notification Request<br>(c/w Contractor Lab<br>Results)         | Review all results. If<br>compliant issue to<br>Section Head POEK<br>(II) and GC Shift<br>Controller         | No Action   | Review request & all<br>results. GC Operator<br>to issue Permit to<br>Work |
| 3. Discharge to GC & sampling of discharge                   | Discharge Oil to GC<br>& Request witness of<br>oil sampling                       | Verify sampling &<br>volumes. Transport<br>100% duplicate<br>samples to KOC Lab                              | Analysis of Samples<br>& Results to<br>Controlling Team | No Action  |
| 4. Reporting<br>(Daily, Bi-Weekly)                           | Prepare report (Daily<br>Volumes & Lab<br>Results) & Issue to<br>Controlling Team | Verify volumes (flow<br>meter) and quality.<br>Issue to Section Head<br>POEK (II) and GC Shift<br>Controller | No Action   | Review Reports   |



## **OIL RECOVERY CHALLENGES**

#### Company operations (mixed with fresh crude from well heads)

- Returned only 20,000 BBIs
- Problems faced with Crude Processing facilities even with dilution of 1-2%.

Export Manifold (mixed with downstream of crude processing facilities)

- Returned another 25,000 Bbls
- Microbial contamination cited
- Tampering with flow meters (sensitive instrumentation).

#### Company's recovery facilities

- Smaller capacity plants could not offer enough dilution
- Mixing highly viscous oil such as weathered crude posed a problem.



## **OIL RECOVERY CONCLUSIONS**

#### Lack of prior testing (dilution mechanisms)

• No testing was carried out with trial runs to identify any problems in processing with company facilities.

#### Detailed analysis of crude samples

• Crude Assay, SARA test, Wax content etc., was not done

### Limited back-up options?

• Only handback with dilution was planned and not explored other options.

### Researching for the feasible & viable option.

• Company handback options dried up and exploring solutions with new vendors. Drop in oil prices compounded the problem.





### WEATHERED CRUDE RECOVERY – WAY FORWARD

#### Descoping of weathered crude works from the current contract

• Contractor installed facility and stoppage costs to be paid.

#### **Compensation to Contractor**

• Contractor installed facility and stoppage costs to be paid.

#### Exploring options outside the company

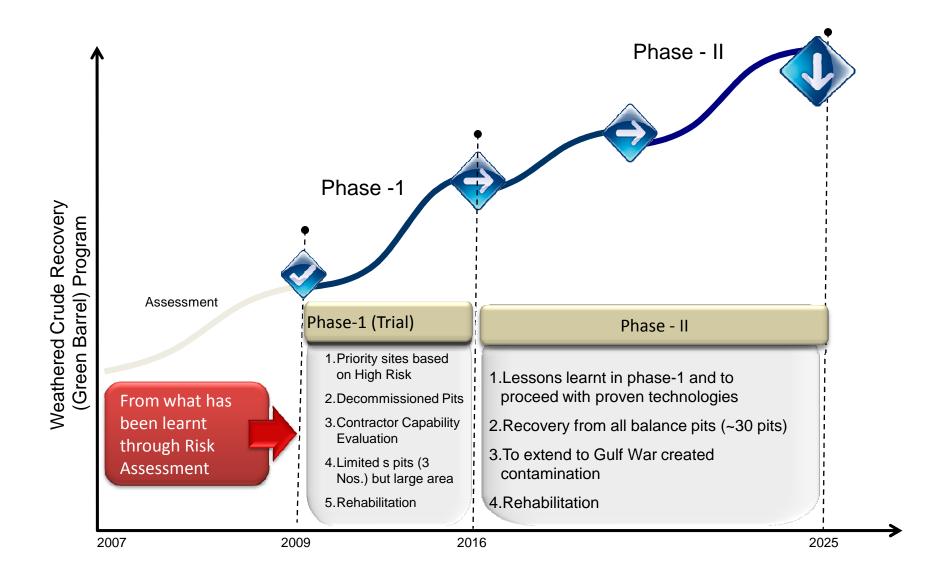
• Bunker-6 Fuel Oil production with cutter stock blending, Local power generation, Cement kilns etc..

#### Export, Auction, Search for proven technologies.

• To explore new markets, vendors and products.



### Veathered Crude Recovery(Green Barrel) Program : Long Term





## Thank You and Q&A

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