

Core Methane Emission Control Strategies

- Pneumatic device retrofit
- Pneumatic device replacement
- Flashing emission controls
- Inspection with IR camera
- Ongoing evaluation of new technology



Pneumatic Retrofits

- **Retrofitted 548 Mizer style valves installed**

- Recovers approximately 77 MMscf methane per year
 - Three-month payout



Pneumatic Replacement

- **Replaced 106 high bleed devices to date**

- Recovers 82.5 MMscf methane per year
 - Three month payout

- **Will replace an additional 264 devices in 2008**



Flashing Emission Controls

- 2004-2006 dynamic regulatory changes
 - Controlled 360 Production Batteries
- Vapor recovery units (VRU) – preferred alternative
 - Historic installation configuration – VRU connected directly to storage tanks
 - Operational and safety concerns
 - O₂ intrusion
 - Equipment repairs result in extended down time
- 2007 additional regulatory changes
 - Controlled 314 production batteries
 - Operational issues pushed controls to combustion devices (ECD)



Process Modifications to Reduce Flash Emissions

In 2006 piloted the use of a secondary flash vessel.

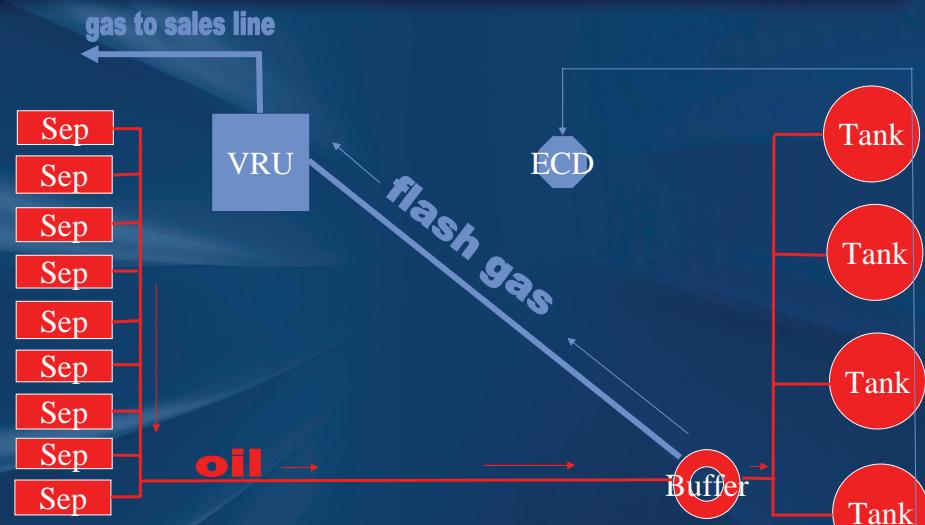


Process Modifications to Reduce Flash Emission

In 2007, modified the design to a larger buffer tank.



Flash Vessel



Flash Vessel (buffer tank)

■ Benefits

- Reduces methane emissions
- Reduces products of combustion to atmosphere
- Increased safety due to lower pressure seen at tank
- Gas from buffer tank is compressed back into sales line
- This vessel also eliminates O₂ intrusion



Flash Vessel

■ Economic evaluation:

- Average of 1-2 MCF for every 10 bbls oil
- Price of buffer tank \$7,700
- 40~50 bbl location = 4 Mcf a day
- Pay out on buffer tank is 1 year

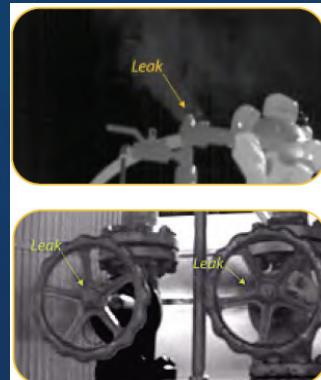
- In 2008, all new pad locations will receive a buffer tank, VRU and ECD.



IR Camera Inspections – DJ Basin

Implemented IR camera inspections in summer 2007

- Two cameras in E&P service
- One camera in midstream service

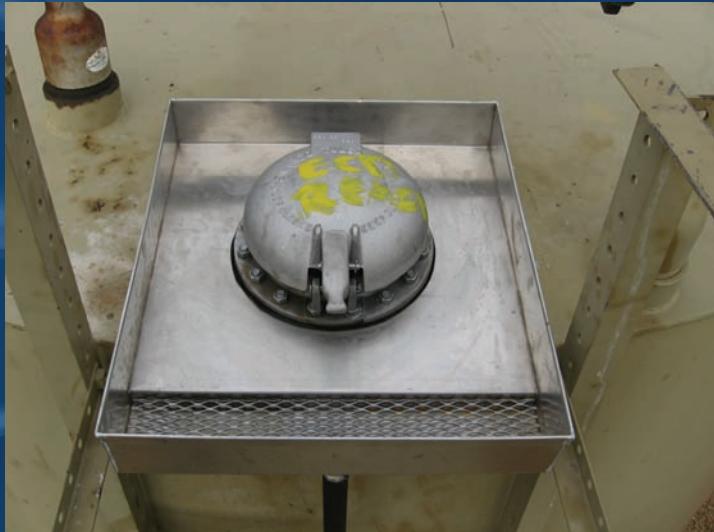


IR Camera Inspections – DJ Basin

- Initial findings led to the formation of maintenance teams to incorporate the use of the IR camera and facilitate repairs.
- Goal was to inspect every separator, tank and wellhead in the Wattenberg Field.
- Developed simple recordkeeping and maintenance log to facilitate data trending in the future.
- Most significant finding:
 - Thief hatch seals



IR Camera Inspections – DJ Basin



IR Camera Inspections – DJ Basin

Based on the IR camera findings, Anadarko began a gasket material replacement and longevity program for Enardo and Jayco thief hatches.

- Original equipment was outfitted with Buna-N gaskets
- Retrofitted with Viton
- Now evaluating Fluorosilicone rubber gaskets

Conducting additional pilot studies with teflon vaccum gaskets



IR Camera Inspections – DJ Basin

Use of the IR Camera has allowed for the repair of leaks there were otherwise not detectible

- *Thermostats*
- *Fittings*
- *Regulators*
- *Gaskets*
- *Valves*

Result – less methane vented to atmosphere.



Ongoing Evaluation of New Technology

- **Solar powered production separators**
 - *Cost prohibitive for retrofit*
 - *Evaluating pilot for new purchases*

- **Compressed ambient air-driven separators**
 - *Solar powered compressor*
 - *Replaces field gas with compressed ambient air to drive pneumatics*
 - *Initial pilot underway*



Questions

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