



Producers Technology Transfer Workshop

Process Optimization Review PRO-OP

NEWFIELD



BALANCE FOCUS CONTROL

April 20, 2005
Oklahoma City, OK

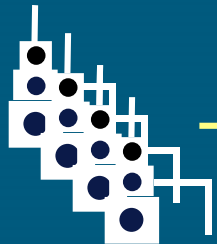


PRO-OP Concept

- How can we get as much product, produced at the wellhead, to the sales meter?



100 units



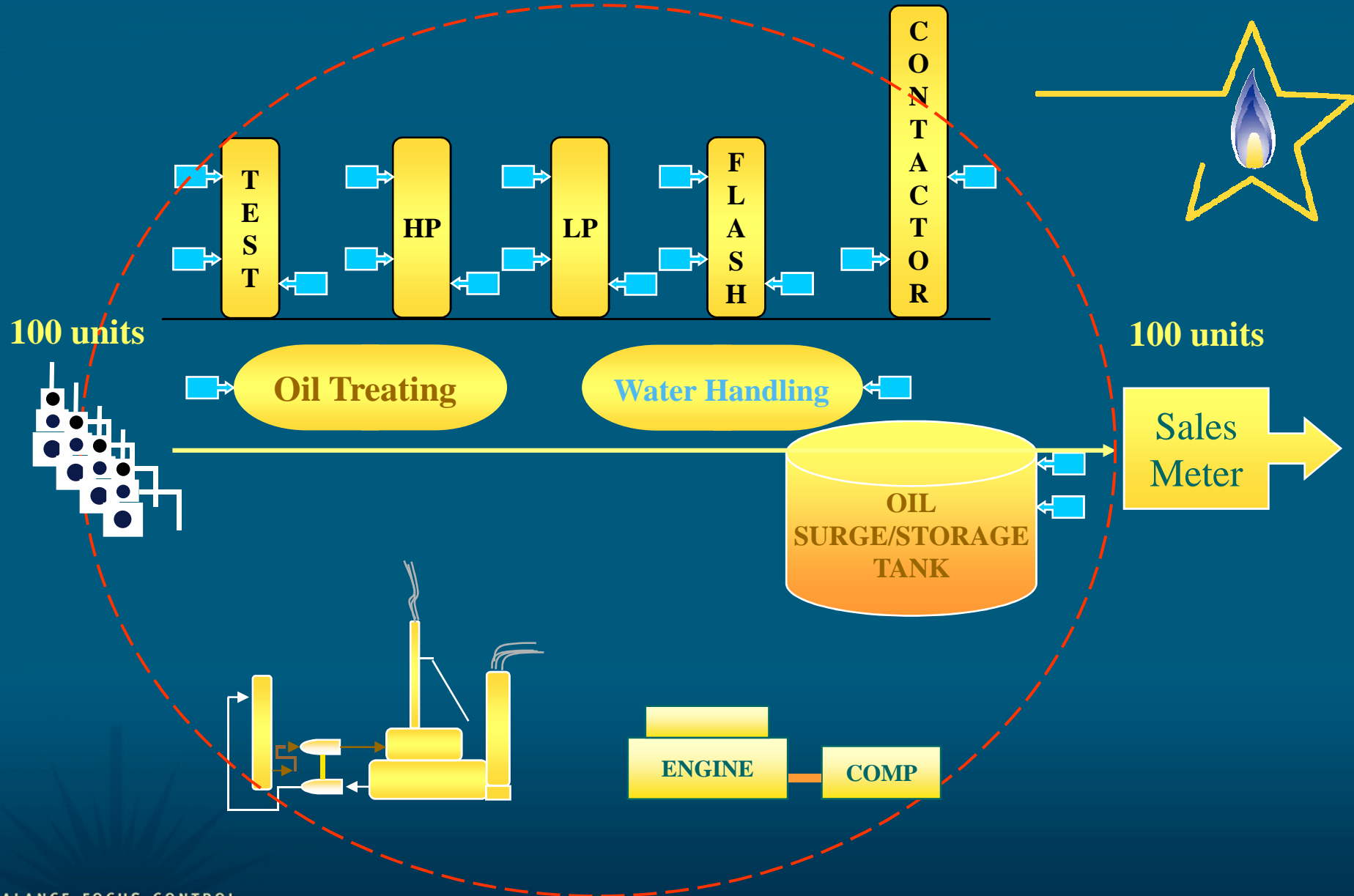
100 units



- PRO-OP** – a systematic approach to increase production efficiencies and profitability through evaluating process components whereby methane emissions are reduced on a cost effective basis.

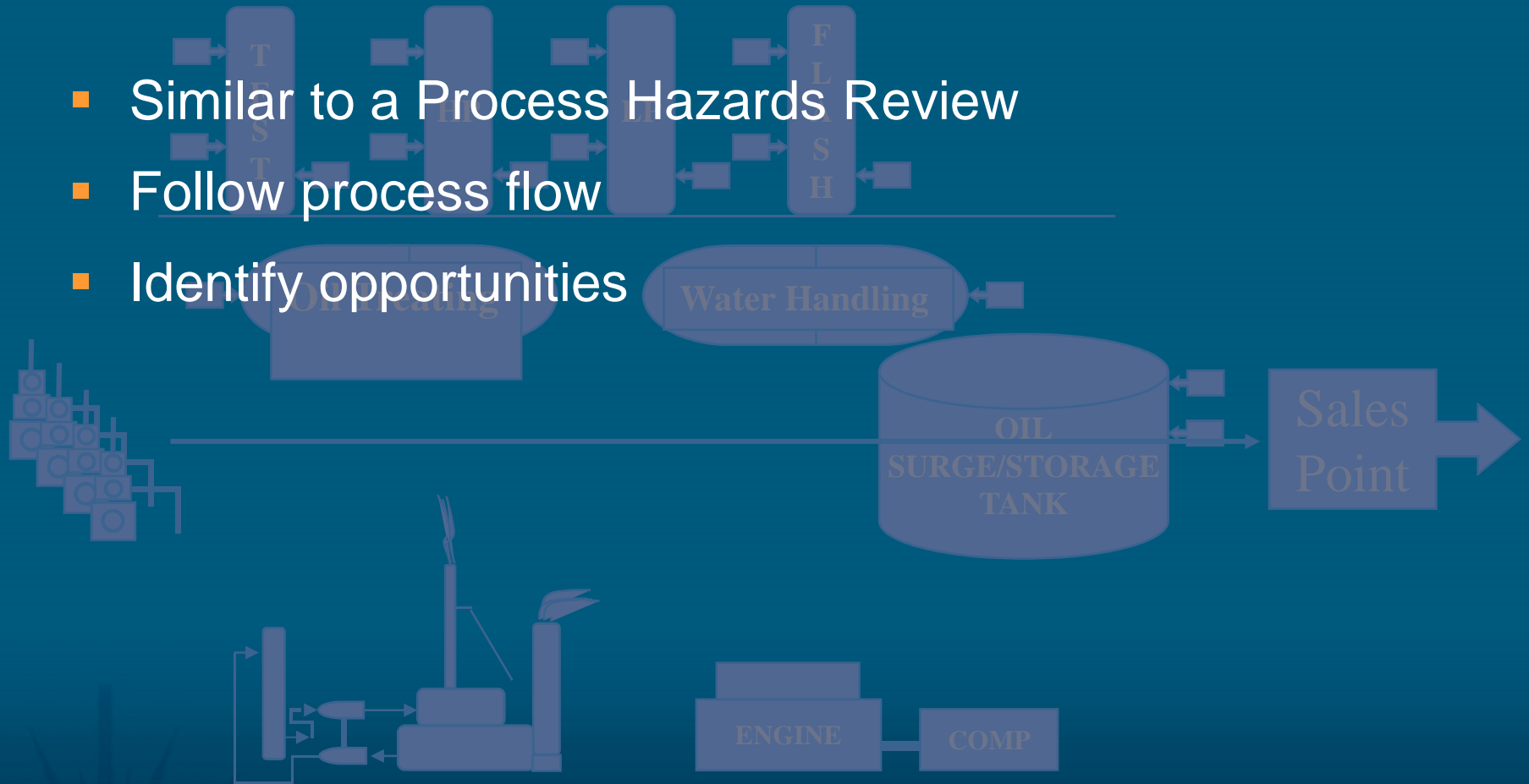
Pro-Op

Process Optimization Review



Process

- Similar to a Process Hazards Review
- Follow process flow
- Identify opportunities



Attention to Details...Increases Profitability

Optimization Techniques



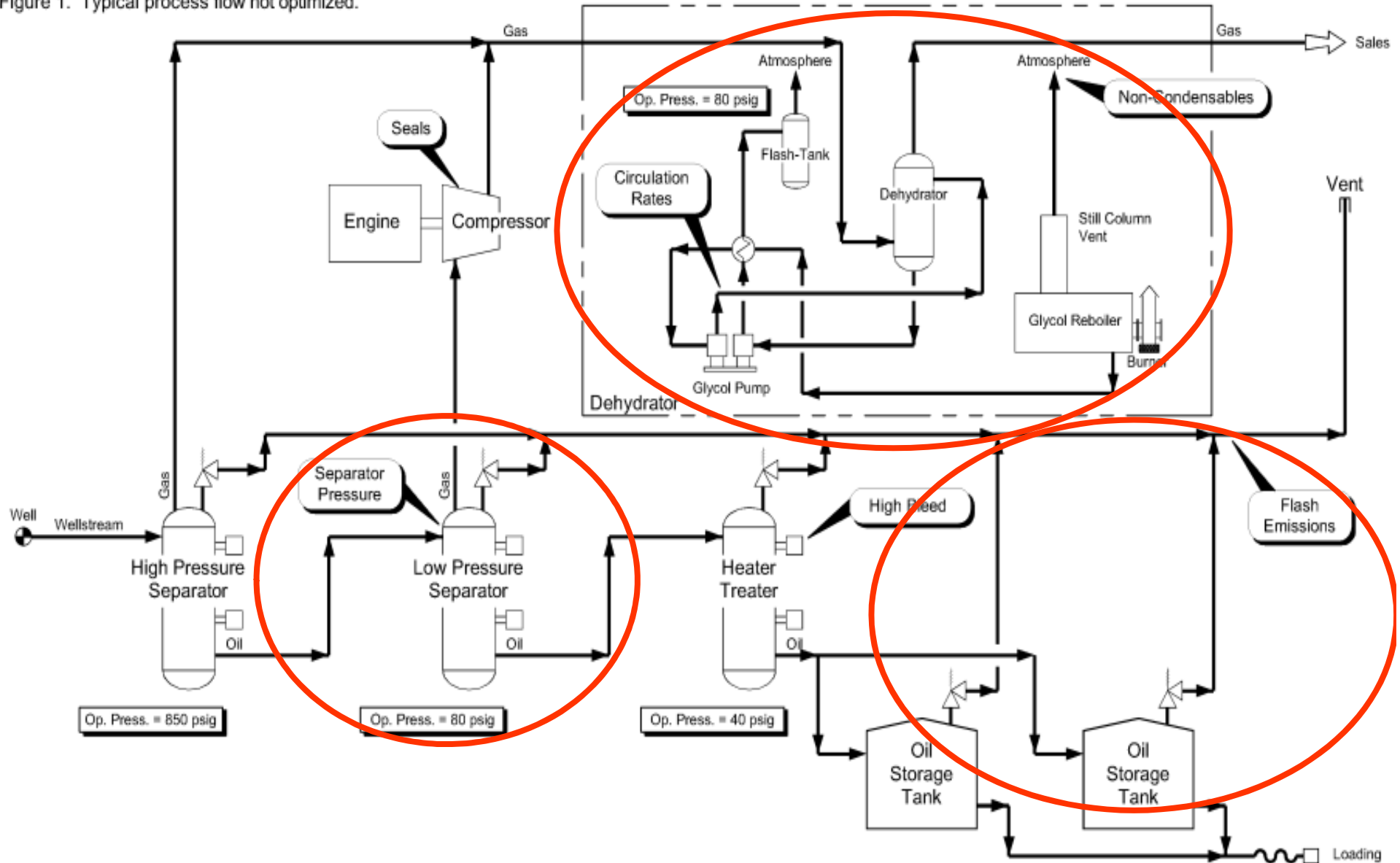
Table 1- List of major optimization techniques for oil and gas production operations

| Process | Optimization Technique to Reduce Venting Emissions |
|---|---|
| Pneumatics | <ol style="list-style-type: none"> 1. Use low bleed pneumatics versus high bleed pneumatics 2. Use compressed air |
| Pressure Relief System | <ol style="list-style-type: none"> 1. Repair or replace leaking relief system components |
| Production Separators | <ol style="list-style-type: none"> 1. Reduce operating pressure of separators just upstream of storage tanks 2. Route flash gas to compressor for sales |
| Glycol Dehydration Units Still Column Vent | <ol style="list-style-type: none"> 1. Install condenser, flare or vapor recovery system 2. Optimize glycol circulation rates |
| Glycol Dehydration Unit Flash Tanks | <ol style="list-style-type: none"> 1. Route gas to fuel system 2. Install vapor recovery system or route compressor 3. Burn gas in flare |
| Flare and Vent Systems | <ol style="list-style-type: none"> 1. Repair components leaking into vent system 2. Install vapor recovery to recover routine natural gas venting |
| Internal Combustion Engines | <ol style="list-style-type: none"> 1. Maximize fuel efficiency with controls |
| Reciprocating Compressors | <ol style="list-style-type: none"> 1. Replace worn compressor rod packing rings and rods |
| Centrifugal Compressors | <ol style="list-style-type: none"> 1. Replace wet seals with dry seals in centrifugal compressors |
| Crude Oil Storage Tank | <ol style="list-style-type: none"> 1. Install vapor recovery system to recover vent gases |

Attention to Details...Increases Profitability

Non – Optimized Facility

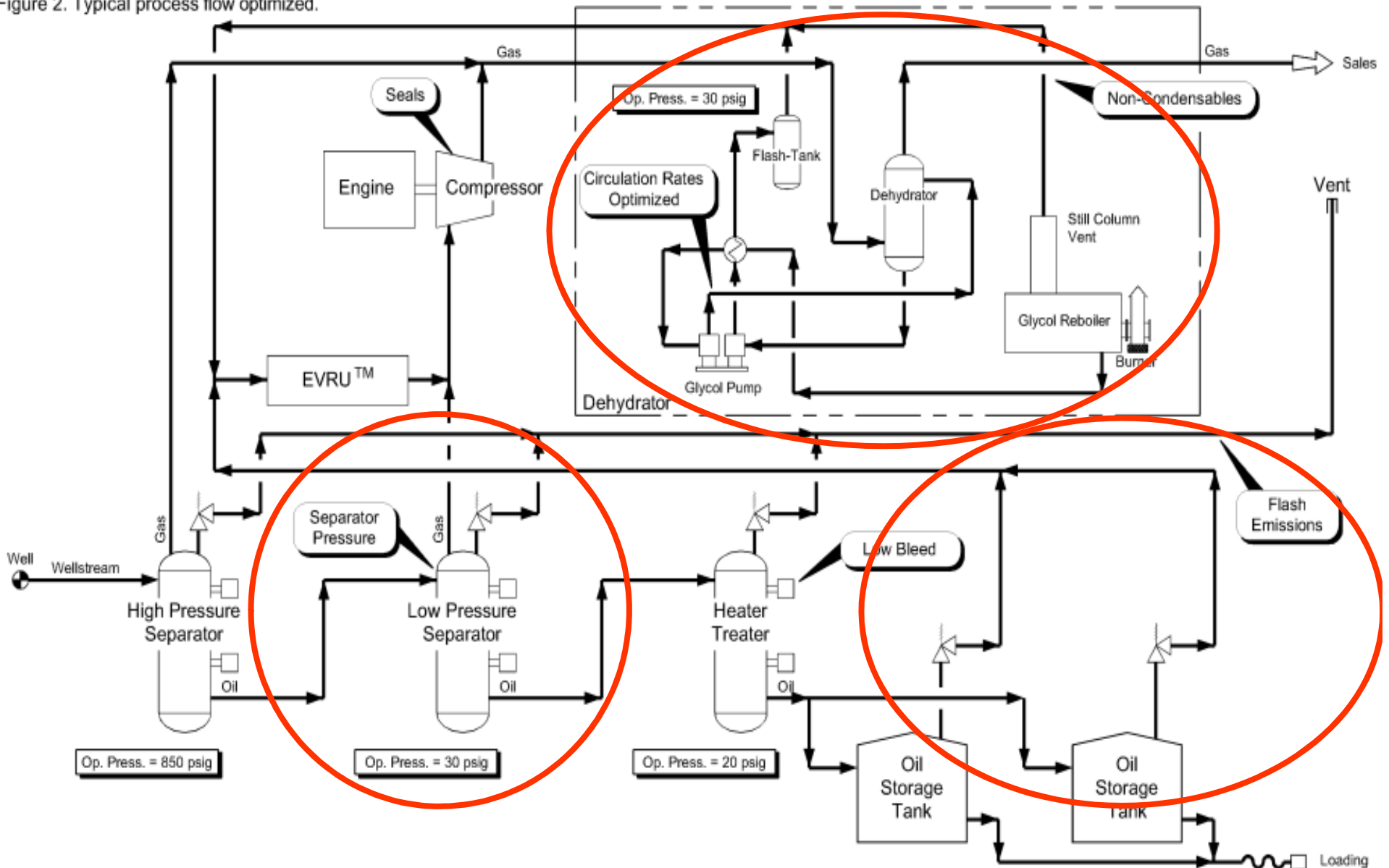
Figure 1. Typical process flow not optimized.



Optimization Techniques



Figure 2. Typical process flow optimized.



ATTENTION TO DETAILS EQUALS INCREASED PROFITABILITY

Before and After Optimization



Table 3- Vent gas emissions and value before and after optimization

| Process | Optimization Technique | Gas Recovered (MMBTU/Yr) A | Optimization Costs First Year^B (\$) | Recovered Product Value^C (\$/year) | First Year Optimization Savings/Costs^D (\$) |
|-------------------------|--|---------------------------------------|---|--|---|
| Pneumatics | Low bleed natural gas pneumatics controllers | 1,900 | -2,200 | 9,500 | 11,700 |
| Glycol Dehydration Unit | Vent gas from still column and flash tank recovered by EVRU™ | 50 | | 3,850 | |
| Glycol Dehydration Unit | Flash tank gas routed to vapor recovery system | 1,100 | 120,000 | 5,500 | 62,850 |
| Heater Treater Flash | Vapor recovery by EVRU™ | 19,200 | | 96,000 | |
| Oil Storage Tanks | Vapor recovery by EVRU™ | 15,500 | | 77,500 | |
| | Totals: | 37,750 | 117,800 | 192,350 | 74,550 |

Attention to Details...Increases Profitability

Optimization Techniques



Table 4-Total Vent gas and methane emissions before and after optimization

| Process | Optimization Technique | Natural Gas Vented Not Optimized (MMSCF/yr) | Natural Gas Recovered by Optimization (MMSCF/yr) | Methane Only Emissions Not Optimized (MMSCF/yr) | Methane Recovered by Optimization (MMSCF/yr) |
|---------------------------------------|---|--|---|--|---|
| Pneumatics ^E | Low bleed natural gas pneumatics controllers | 2 | 1.9 | 1.9 | 1.8 |
| Glycol Dehydration Unit ^E | Vent gas from still column and flash tank recovered by EVRU TM | 1.2 | 1.2 | 1.1 | 1.1 |
| Heater Treater Flash Gas ^F | Vapor recovery by EVRU TM | 8.4 | 8.4 | 5 | 5 |
| Crude Oil Storage Tanks ^G | Vapor recovery by EVRU TM | 6.8 | 6.8 | 1.7 | 1.7 |
| Totals: | | 18.4 | 18.3 | 9.7 | 9.6 |

Attention to Details...Increases Profitability

Conclusion

- Use PRO-OP on new facility designs
- Prepare optimization template
- Prepare and conduct field training
- Use PRO-Op on existing facilities
- Increase Profitability and report methane reductions to EPA Natural Gas Star Program