

Managing Chemicals: Why Chemical Injection Management?

Profire (TBA)¹

Abstract

Fact: The oil and gas industry currently spends approximately \$9.5 billion a year on chemicals. That number is estimated to increase to \$10.5 billion by 2017 (FB Industries, Inc.)

Problem: With margins being pinched by the drop in oil prices, how can oil and gas producers continue operating and maintain profitability?

Case studies performed: Three independent case studies were conducted with over 80 wells closely monitored and analyzed. Of those wells, 57 percent were over-injecting. The cost of chemicals injection ranges from \$3.39/liter to \$5.54/liter. Wells suffering from over injection cost producers a combined \$259,237.60 per year.

Solution: Chemical Injection Management Systems reduce operational and chemical costs, improve safety for the end user, increase operator user-friendly interface, and provide a more environmentally minded application. In addition, chemical management solutions:

- *Help achieve ideal chemical injection rates*
- *Reduce pump repairs*
- *Minimize the amount of chemicals used*
- *Decrease operator exposure to hazardous materials*
- *Automatic adjustments controlled by SCADA systems*
- *Adjust to changing well conditions*

Proven ROI: Return on investments was seen immediately, with most break-even points occurring within 6-12 months.

Conclusion: Dropping oil prices and the decisions made by regulatory bodies are out of the hands of oil and gas producers. However, by focusing internally on efficiency and improving chemical injection management, oil and gas producers can better maintain profitability and running a successful operation.

¹ Profire Energy, Inc.