

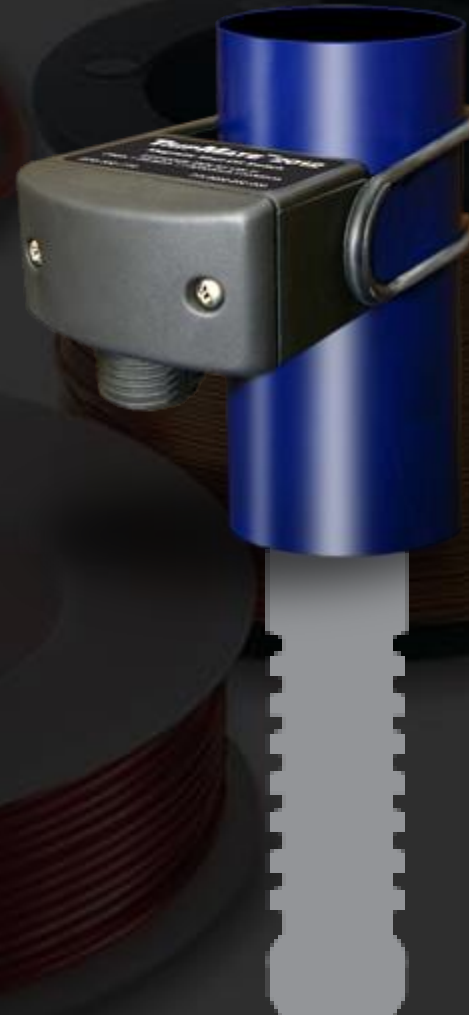
Increasing Plunger Well Profitability Using Geomagnetic Sensing

EXTREME TELEMATICS CORP.



Historical Plunger Sensor Technology

- ▶ Electromagnetic Coils
 - ▶ Used in most cheap plunger sensors
 - ▶ Moving metal creates a current in the coil
 - ▶ Current causes switch to close
 - ▶ Different coil required for each voltage
- ▶ Issues
 - ▶ Slow moving or stalled plungers don't create enough current
 - ▶ Radios and other systems can trip sensor
 - ▶ Susceptible to lightning and cathodic protection
 - ▶ Noisy and short switch closures cause issues with controls
 - ▶ Easy to burn out



The Cost of Cheap Sensors

▶ Maintenance Costs

- ▶ Most sensors need replacing every 12 – 18 months
- ▶ Time and money to procure and replace

▶ Lost Production

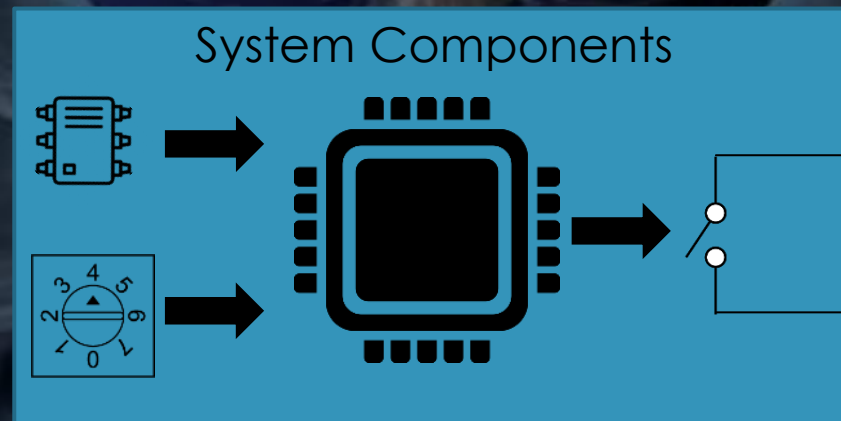
- ▶ Most controllers shut in well if the plunger sensor fails
- ▶ False arrivals also cause shut ins
- ▶ Non-arrivals cause increase in close time, leads to fast plungers
- ▶ Improper optimization adjustments

▶ Hassle

- ▶ Having to always diagnose problems
- ▶ Focus being taken away from more pressing issues

Geomagnetic Sensing Technology

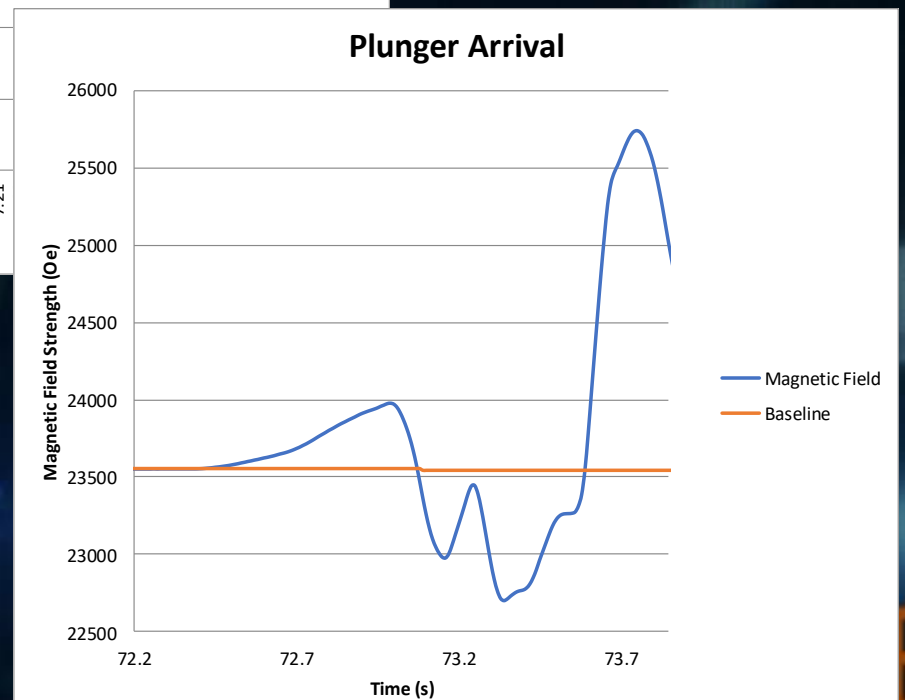
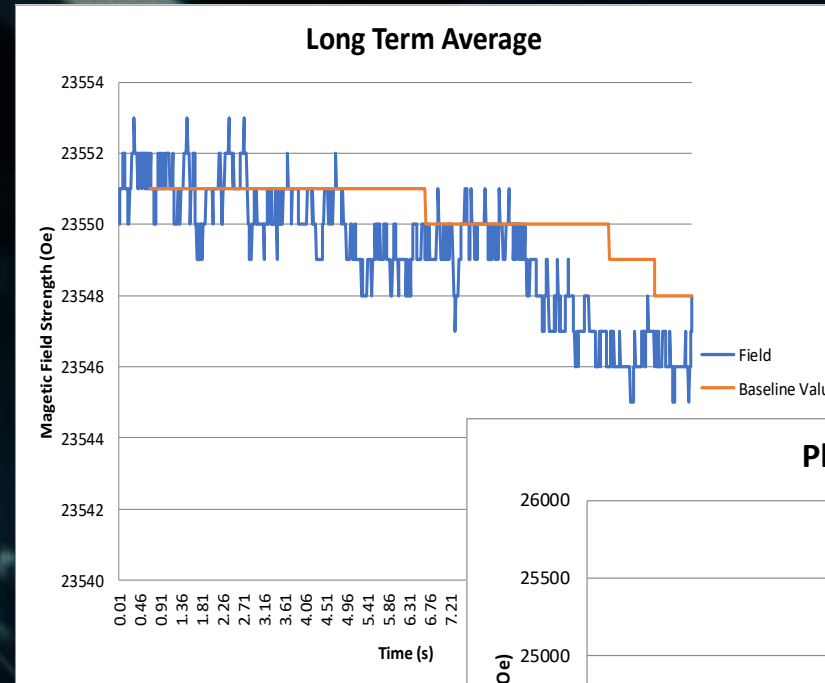
- ▶ Looks for warping of the Earth's magnetic field
- ▶ Main components
 - ▶ Magnetometer - Senses the earth's magnetic field
 - ▶ Sensitivity Dial – Adjust the amount of change required to trip
 - ▶ Microprocessor – Record the readings, filter noise, identify trips
 - ▶ Digital Switch – Signal the arrival with a clean, timed pulse



Geomagnetic Sensing Technology

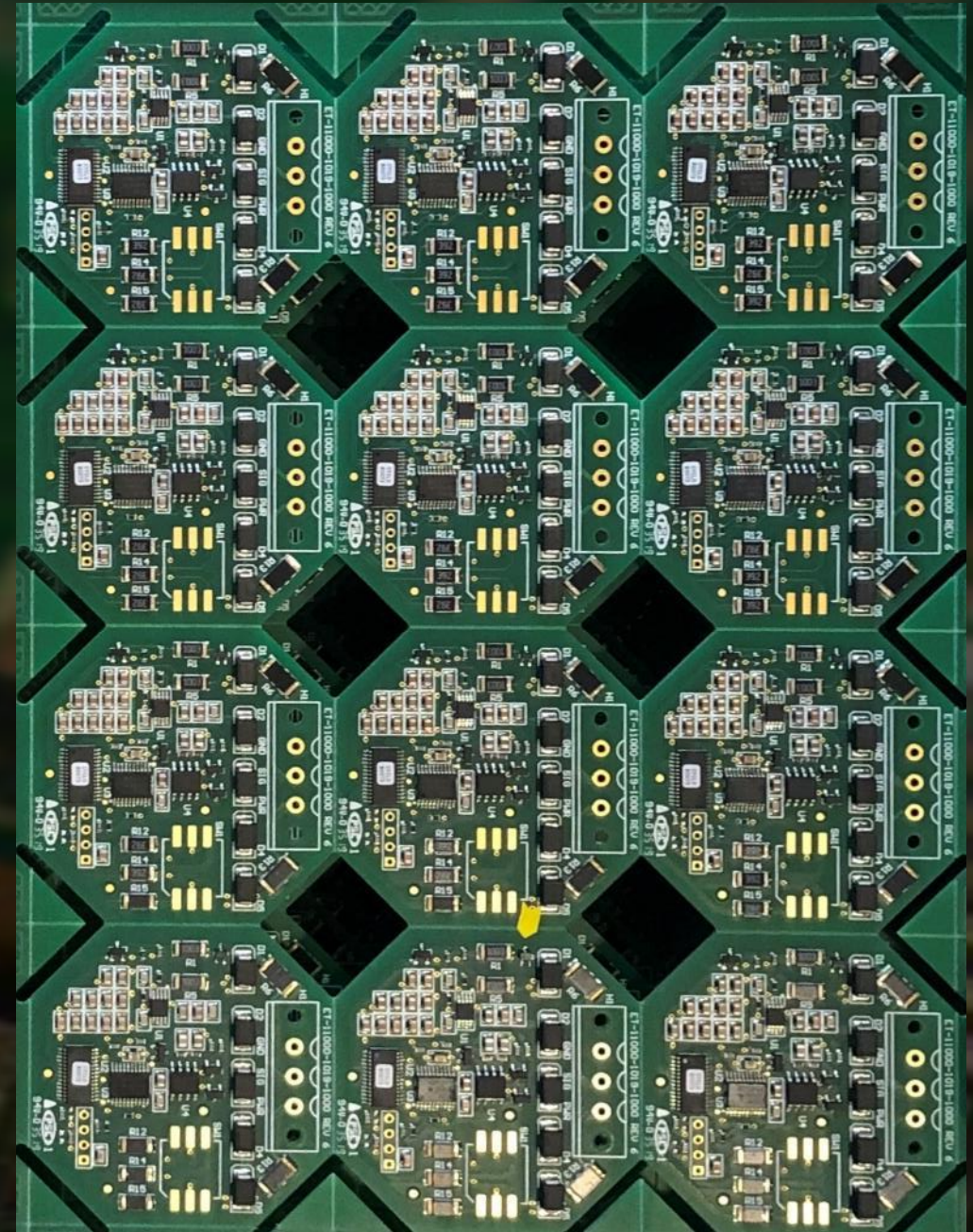
▶ Operation

- ▶ Take samples and filter noise
- ▶ Establish baseline (No Plunger)
- ▶ Compare samples to baseline
- ▶ Set and hold switch



Digital Sensor Benefits

- ▶ Long Term Reliability
 - ▶ Printed circuit board
 - ▶ No moving parts
- ▶ Multiple voltage capable
 - ▶ Built in voltage regulator accepts 5V to 24V
- ▶ Immunity to noise – Eliminate false trips
 - ▶ Nearby equipment
 - ▶ Lightning
 - ▶ Cathodic Protection
- ▶ Speed/location independent – Accurate arrival Detection
 - ▶ Detect slow moving plungers
 - ▶ Detect plungers that stall before lubricator



Digital Sensor Benefits

- ▶ Adjustable sensitivity
 - ▶ Reduce false trips due to noise
 - ▶ Increase visibility of anvil, stalled plungers, and through casing
- ▶ Real time data visibility
 - ▶ Connect sensor to a PC
 - ▶ Watch arrivals in real time
- ▶ Upgradable software
 - ▶ Sensor has replaceable software
 - ▶ Refresh sensitivity upgrade
 - ▶ Magnetic lubricator upgrade



Safe and Rugged

- ▶ Hazardous Locations Approved
 - ▶ Cyclops IS - Class 1 Zone 0 (Div 1) and Class I Zone 2 (Div 2)
 - ▶ Cyclops ExP – Class 1 Zone 1 (Div 1)
- ▶ Wide Temperature Range
 - ▶ -40 °C to +70 °C
 - ▶ -40 F° to +160 °F
- ▶ Rugged Aluminum Enclosure
 - ▶ Mounting Legs
 - ▶ Watertight lid with captive screws
 - ▶ ½" NPT Cable Port



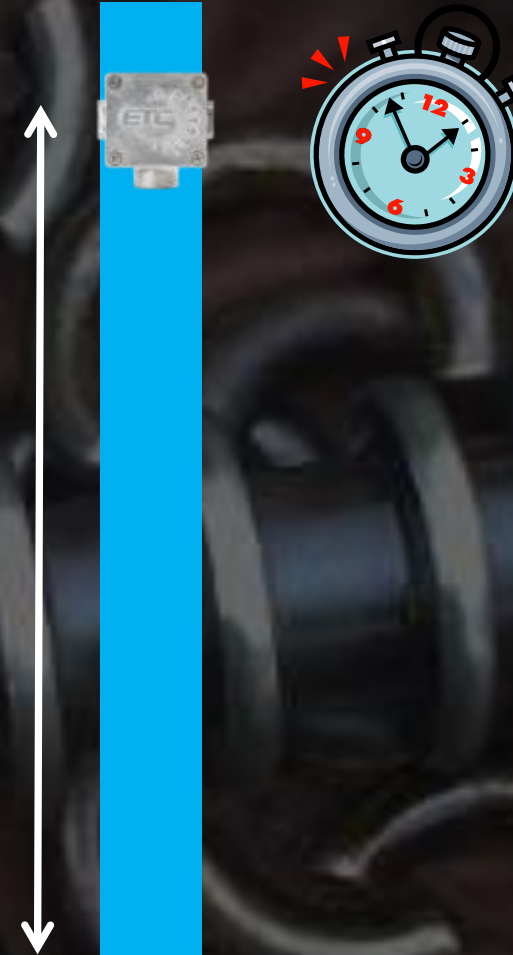
Tools



- ▶ Link Device Connection
 - ▶ Connect ETC Sensors to a PC
- ▶ Vision Device Management
 - ▶ Update internal sensor software
 - ▶ Interact with sensors in real time to diagnose problems

Fast Plunger Issues

- ▶ Average Velocity Issue
 - ▶ Well depth divided by rise time
 - ▶ Assumes plunger at bottom
 - ▶ Ignores any acceleration
- ▶ Fast Plunger Causes
 - ▶ Inconsistent fluid loads
 - ▶ Plunger does not make it to bottom
 - ▶ Hole in the tubing
 - ▶ Low line pressure/flow to tank
 - ▶ Change in chokes



Safety and Maintenance

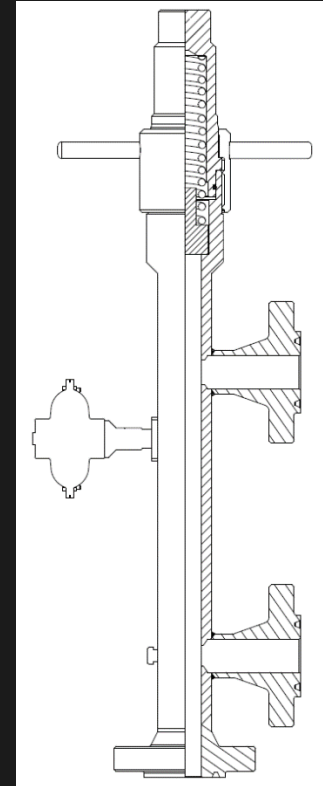
- ▶ Maintenance programs often use
 - ▶ Number of trips
 - ▶ Time (i.e. 6 months)
- ▶ Not all arrivals are equal
 - ▶ Different mass of plunger
 - ▶ Different impact velocity
- ▶ Kinetic Energy = $\frac{1}{2} mv^2$
- ▶ Repetitive fast plungers can lead to lubricator breaches



API 11 PL

Plunger Lift Lubricators and Related Equipment

- ▶ Lead by Conoco with several other majors
- ▶ Participation from most quality plunger manufacturers
- ▶ Sets standards for surface equipment
 - ▶ Design
 - ▶ Manufacturing
 - ▶ Testing
- ▶ All API 11 PL compliant lubricator and spring assemblies must have a Kinetic Energy (KE) rating
- ▶ How do you know if your arrivals are within spec?



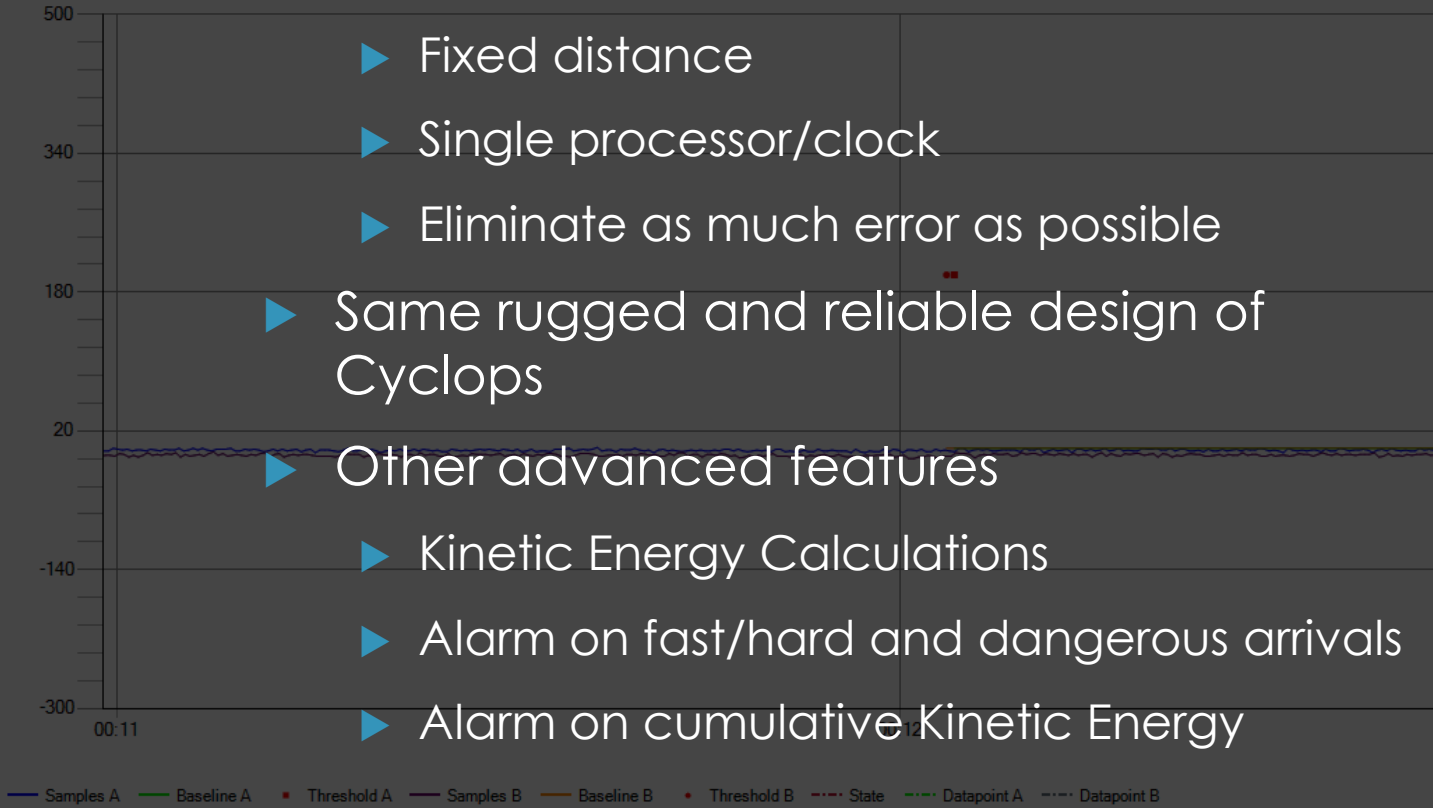
API MONOGRAM PROGRAM EFFECTIVE DATE: JUNE 1, 2020

Surface Velocity Sensor

The screenshot shows a software interface with several panels. On the left, there are checkboxes for 'Sensor A' and 'Sensor B', and a 'Subtract Baseline' option. The 'Summary' panel shows a duration of 00:00:25 and a velocity of 198. The 'Sensor A Stats' panel shows 13842 samples, a current of 2748, and a baseline of 2719. The 'Sensor B Stats' panel shows 13833 samples, a current of 4148, and a baseline of 4117. The 'Sensor State' panel has radio buttons for 'Baseline Stabilize', 'Detect', 'Calculate', 'Output Velocity Based', 'Output Plunger Based', 'ReInit', and 'Raw Sample'. The 'Log File' panel shows the location 'C:\Users\mark.scantlebury\Documents\ETCVisi' and a 'Well ID' of 'Solid Steel'.

▶ Two sensors in one

- ▶ Fixed distance
- ▶ Single processor/clock
- ▶ Eliminate as much error as possible
- ▶ Same rugged and reliable design of Cyclops
- ▶ Other advanced features
 - ▶ Kinetic Energy Calculations
 - ▶ Alarm on fast/hard and dangerous arrivals
 - ▶ Alarm on cumulative Kinetic Energy



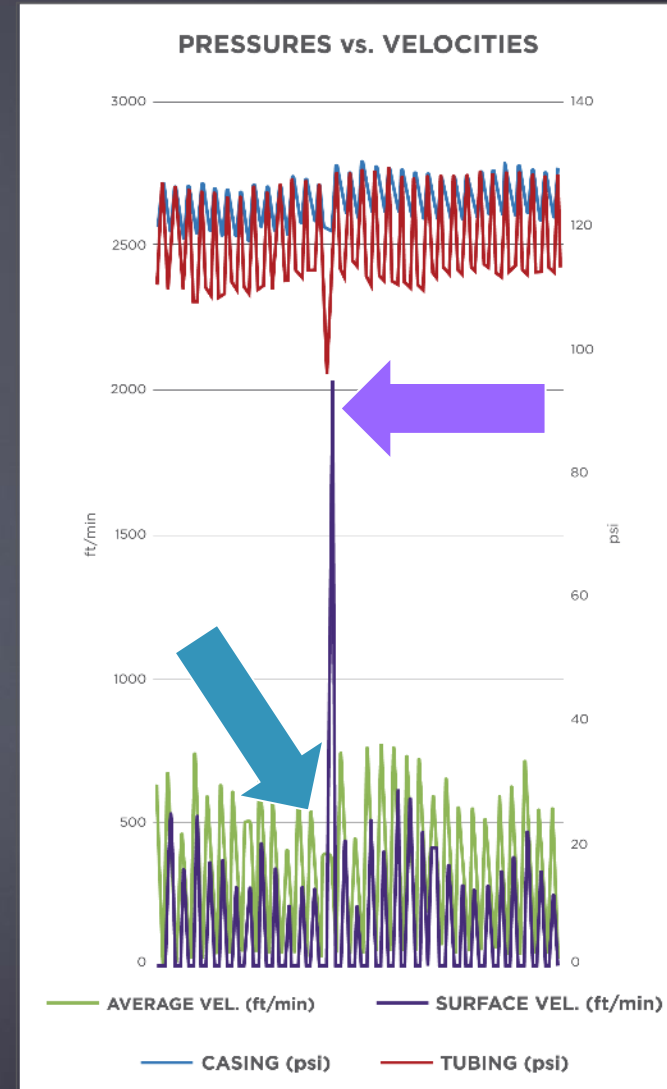
A promotional banner for the Surface Velocity Sensor. It features the text 'optimize production & improve safety' and 'plunger surface velocity'. The ETC logo and 'Sasquatch™ ETC' are also present. A small image of the sensor is shown on the right side of the banner.

Stopped at: 30/01/2017 11:15:16 AM
Started at: 30/01/2017 11:15:20 AM
Well ID:
Plunger Type: Solid Steel

The logo for Sasquatch™ PLUNGER VELOCITY SENSOR. It features a stylized orange and white Sasquatch head icon to the left of the text 'Sasquatch™' in a large, bold, orange font, with 'PLUNGER VELOCITY SENSOR' in a smaller, blue font below it.

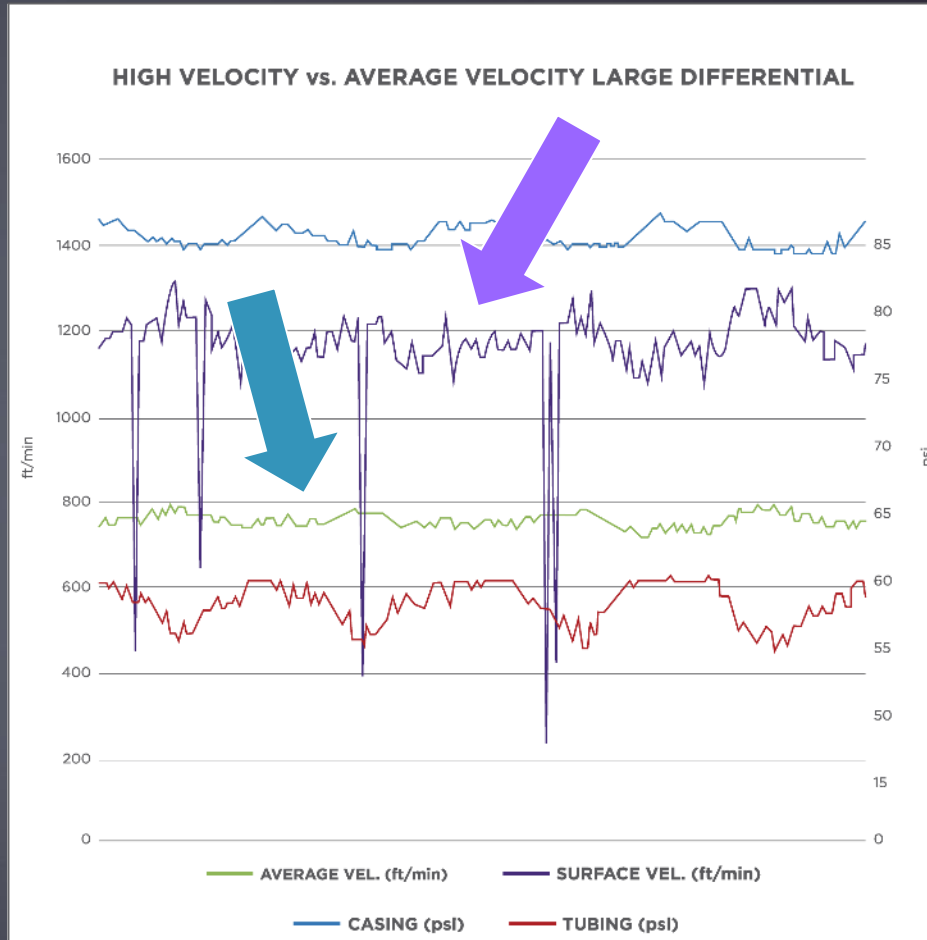
Kinetic Energy on Venting

- ▶ 7.5 lb (3.4 kg) Plunger
- ▶ Average Velocity calculated at 400 ft/min (122 m/min)
 - ▶ Estimated KE = 7.02J
- ▶ Surface Velocity recorded as 2025 ft/min (617 m/min)
 - ▶ Actual KE = 180 J
- ▶ Over 25x more energy than expected
- ▶ Was occurring once every few hours



Consistent High Kinetic Energy

- 9 lb (4.1 kg) Plunger
- Average Velocity of 750 ft/min (229 m/min)
 - Estimated KE = 29.76 J
- Surface Velocity regularly 1200 ft/min (366 m/min)
 - Actual KE = 76.18 J
- Over 6 months (4300 arrivals) spring has absorbed 200 kJ more than anticipated



Dangerous Hit

- 10 lb (4.54 kg) Plunger
- Average Velocity of 250 m/min (820 ft/min)
 - Estimated KE = 39.4 J
- Surface Velocity peaks 1714 m/min (5623 ft/min)
 - Actual KE = 1853 J
- Single arrival may be enough to collapse spring completely

