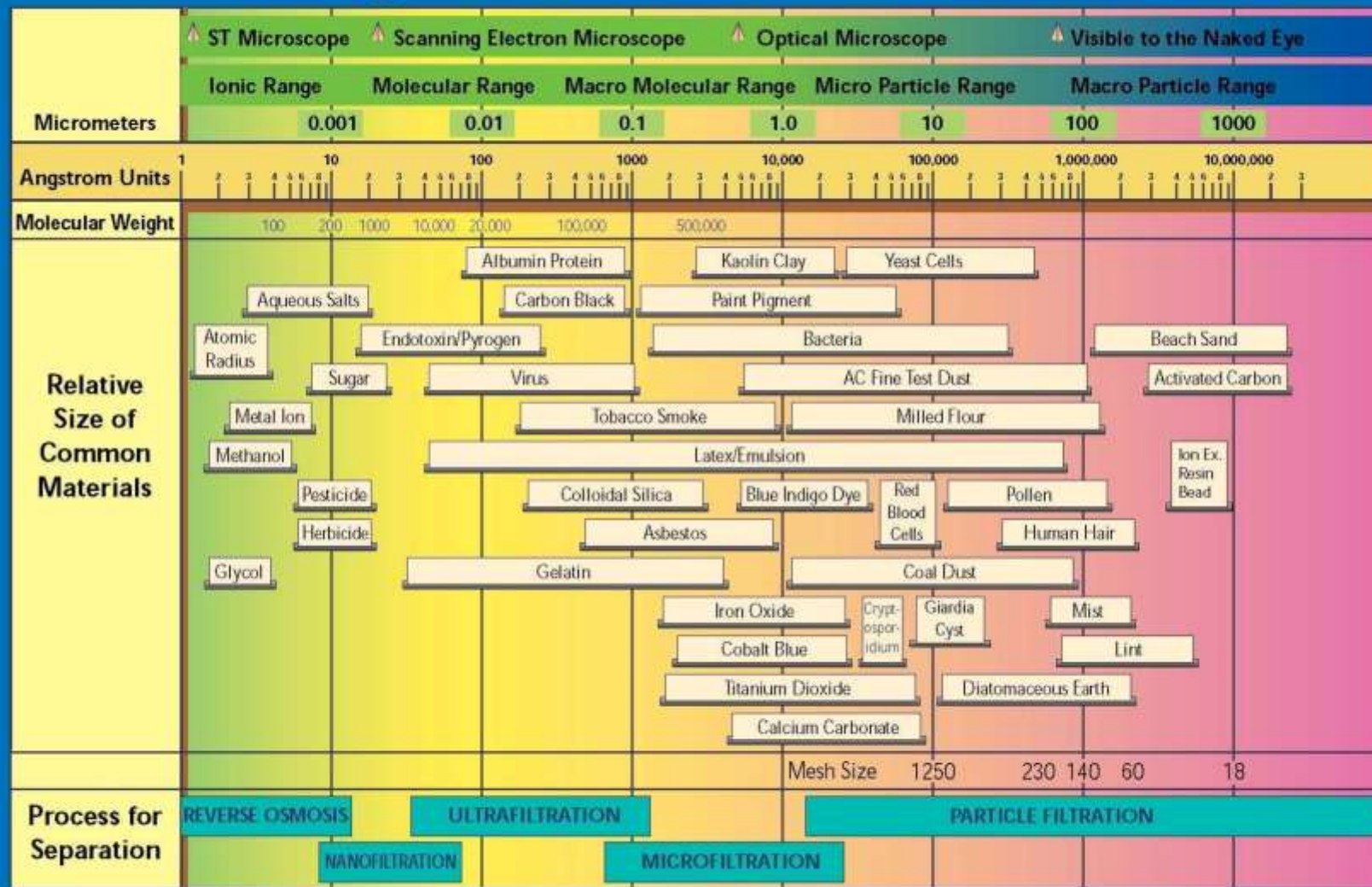




Treatment for Flowback Marcellus Shale

A Treatment Alternative Applying
VSEP by New Logic Research Technology
Employing
Both Nanofiltration and Microfiltration



1 Micron (1×10^{-6} Meters) = $\sim 4 \times 10^{-5}$ Inches (0.00004 Inches)

1 Angstrom Unit = 10^{-10} Meters = 10^{-4} Micrometers (Microns)



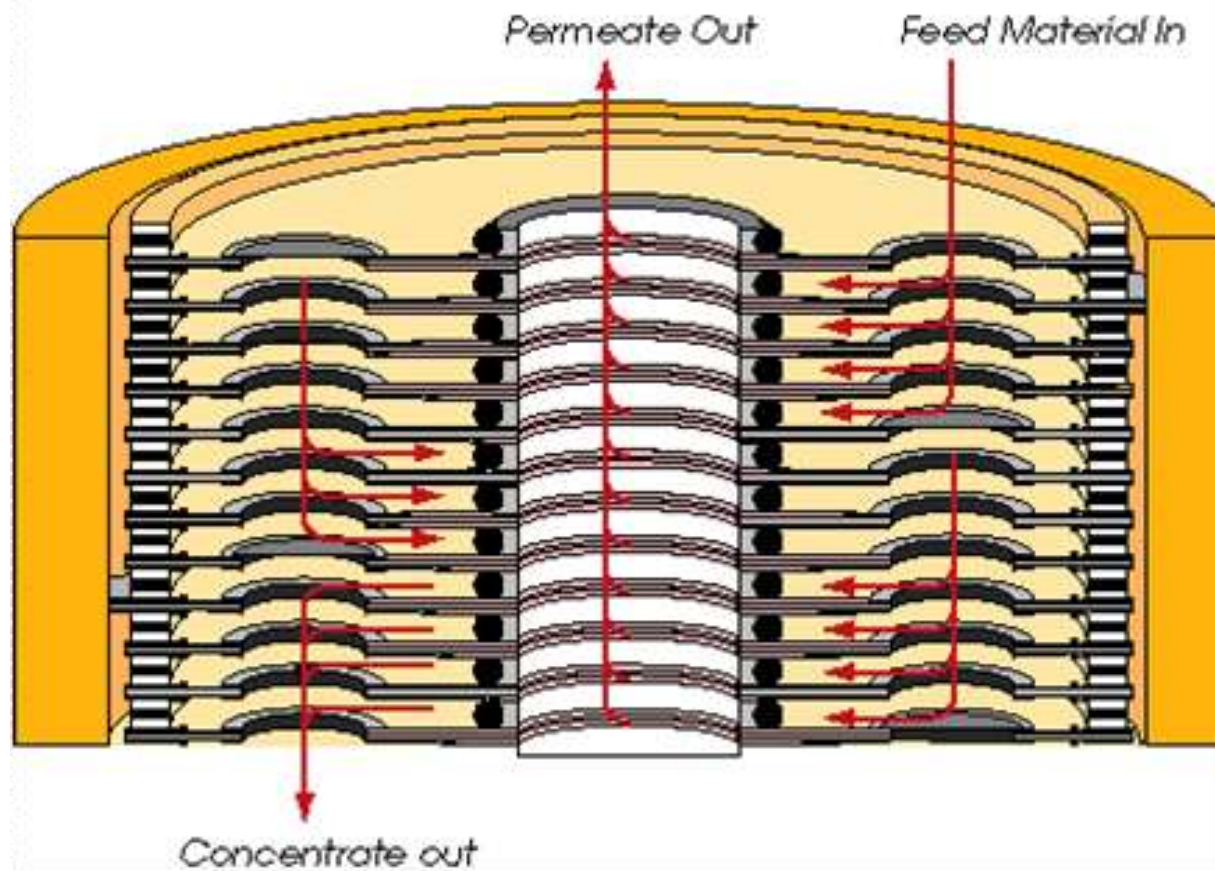
New Logic

1295 67th St. Emeryville, CA 94608 USA

510-665-7305 (tel) 510-665-7307 (fax)

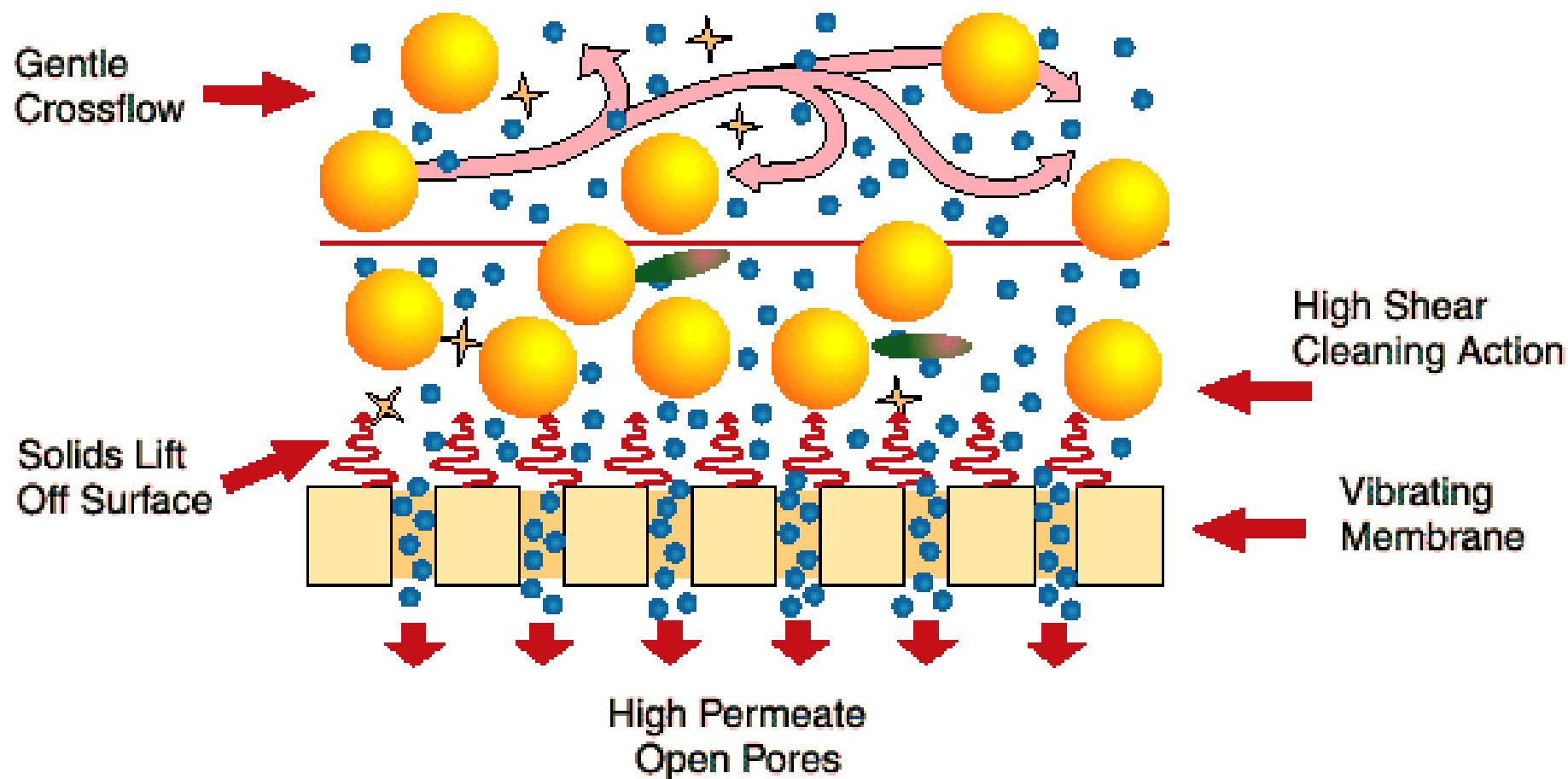
info@VSEP.com e-mail: www.esop.com

Filter Pack Cross Section





VASEP[®]







VSep Pilot Unit



VSep Pilot Unit



Flowback Volume and TDS versus time

A Vertical Well

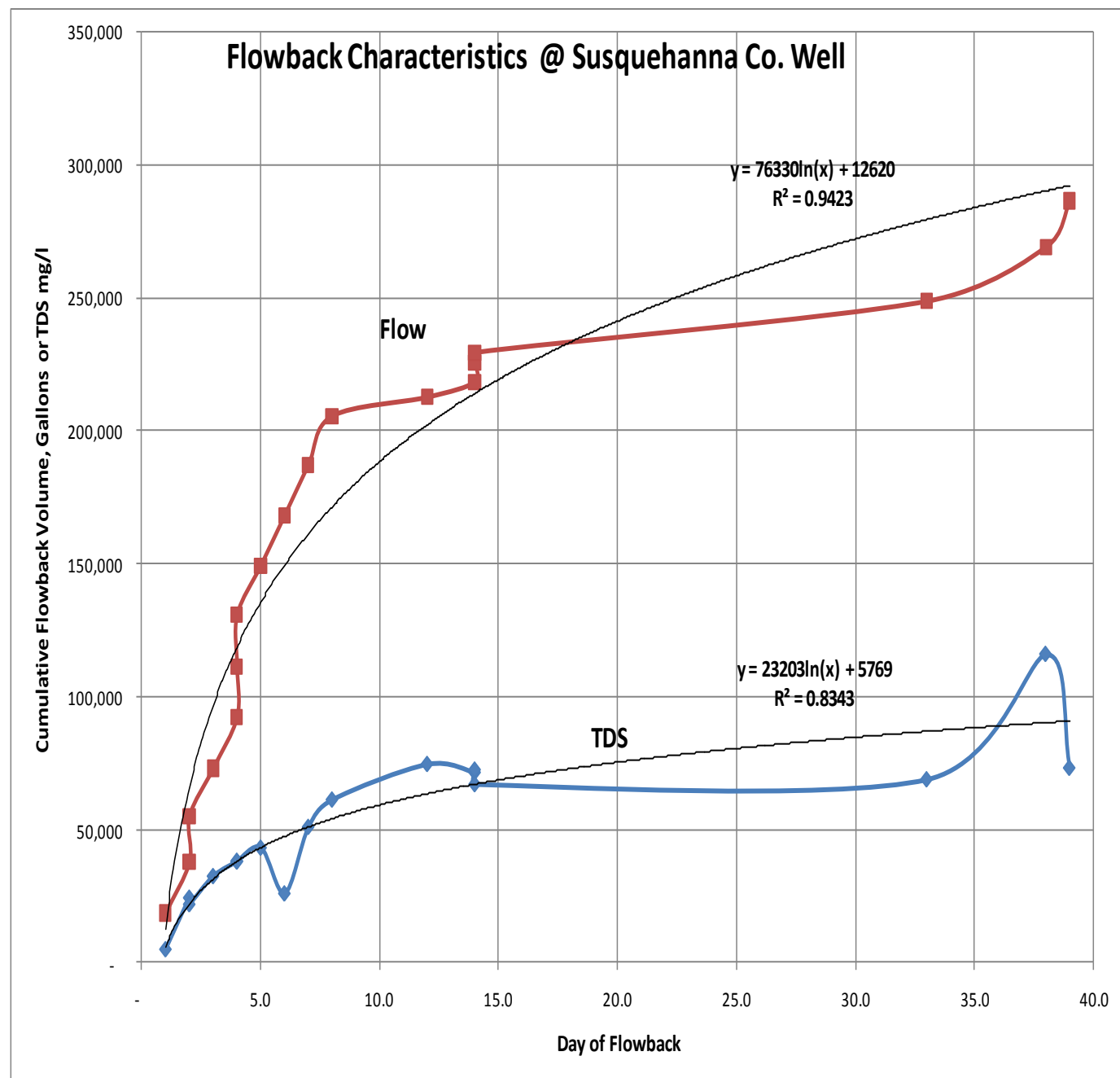
About 80% of flowback returned in 14 days

About 60% of TDS returned in 14 days

TDS about 70,000 mg/l @ 14 days

Average combined TDS = 48,000 mg/l

Log function provides good fit for data



Typical Batch Run

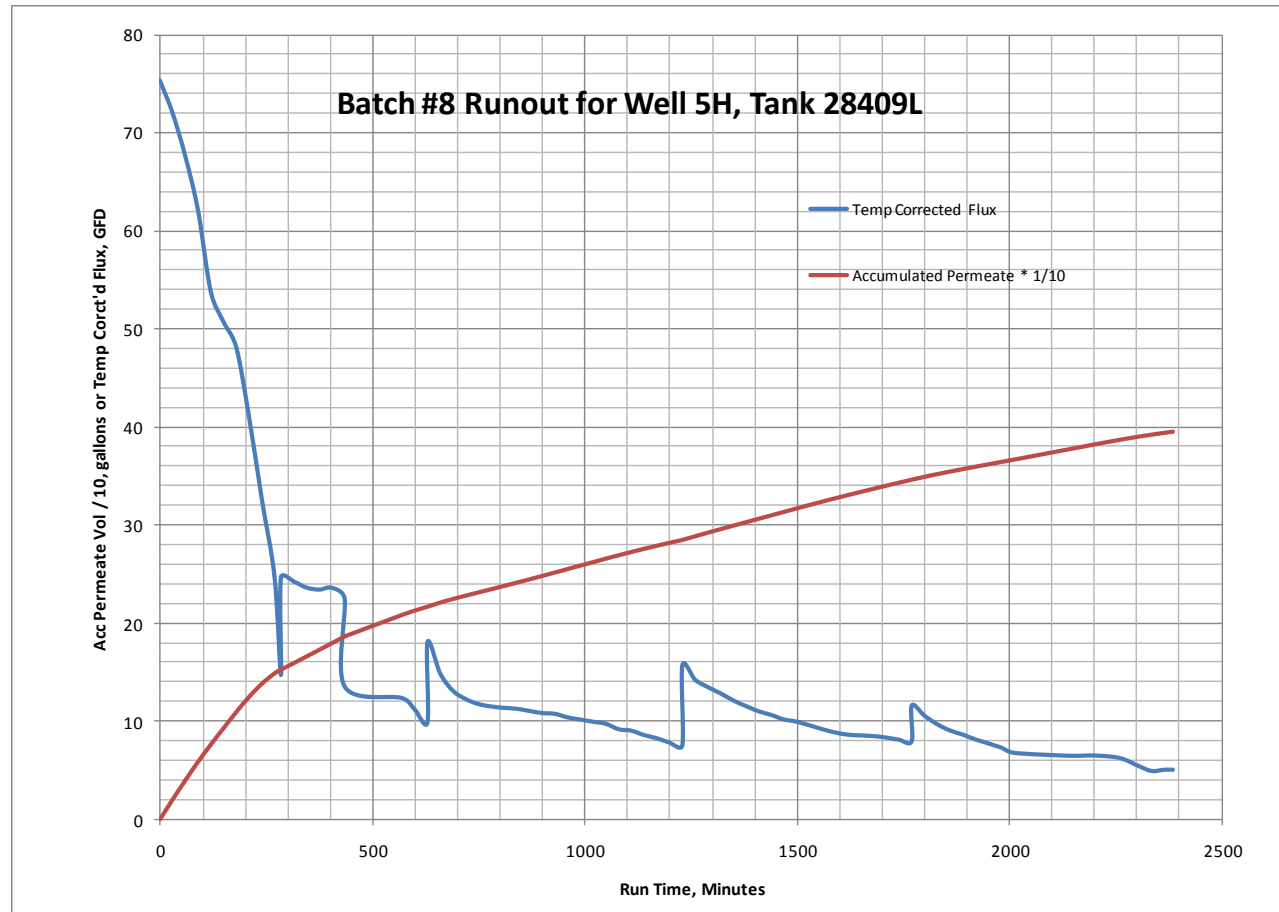
Focus on Flux Rate the blue line: Initial conductivity = 34.5 mS/cm

High flux at start

Clean water flushes where periodic peaks occur

Red line shows the accumulation of permeate

Information from many batches used to estimate design flux rate





Flowback Sample, Permeate, & Concentrate



Pit Water Sample, Permeate, & Concentrate

Re-use Evaluation

One well service company described the Vsep permeate as “good quality”

Langelier Index implying moderate scaling potential

Microbial Activity Indicator (ATP) – Shows no evidence of biological growth

Scale and Iron control chemistries need to be applied during the fracturing process

| | |
|--|---------------------------|
| ID #: | 072209_001 |
| Sample ID: | Milnes Engineering |
| Sample Date: | |
| <u>Anions</u> | |
| P Alkalinity (mg/L as CaCO ₃) | 0 |
| M Alkalinity (mg/L as CaCO ₃) | 124 |
| Chloride (mg/L as Cl ⁻) | 10,480 |
| Sulfate (mg/L as SO ₄ ²⁻) | 0 |
| <u>Cations</u> | |
| Calcium (mg/L as Ca ²⁺) | 522 |
| Magnesium (mg/L as Mg ²⁺) | 15 |
| Total Hardness (mg/L as CaCO ₃) | 1,364 |
| Iron, Ferrous (mg/L as Fe) | 0.0 |
| Iron, Total (mg/L as Fe) | 0.2 |
| <u>Miscellaneous</u> | |
| pH | 7.78 |
| Total Suspended Solids (mg/L) | 13 |
| Specific Gravity (g/ml) | 1.009 |
| Conductivity (micromhos) | 29,100 |
| □ ATP (rlu) – Microbiological Content | 0 |
| Microbiological Content | Low |
| Langelier Saturation Index (LSI) | 1.15 |
| Langelier Potential | Scaling |
| Calcium Sulfate Scaling Potential | Negative |
| Barium (mg/L as Ba ²⁺) | 172 |
| Strontium (mg/L as Sr ²⁺) | 128 |



















Space Requirement @ Well Pad for a 1,000 BPD Treatment Facility

- 60' x 80' bermed area with membrane liner to contain the following
 - Diesel powered electric generator
 - 40' trailer with two nanofiltration units and control skid
 - 40' trailer with feed tanks,
 - 20,000 gal feed storage tank?
 - 20,000 gal concentrate storage tank
 - 20,000 gal permeate storage tank



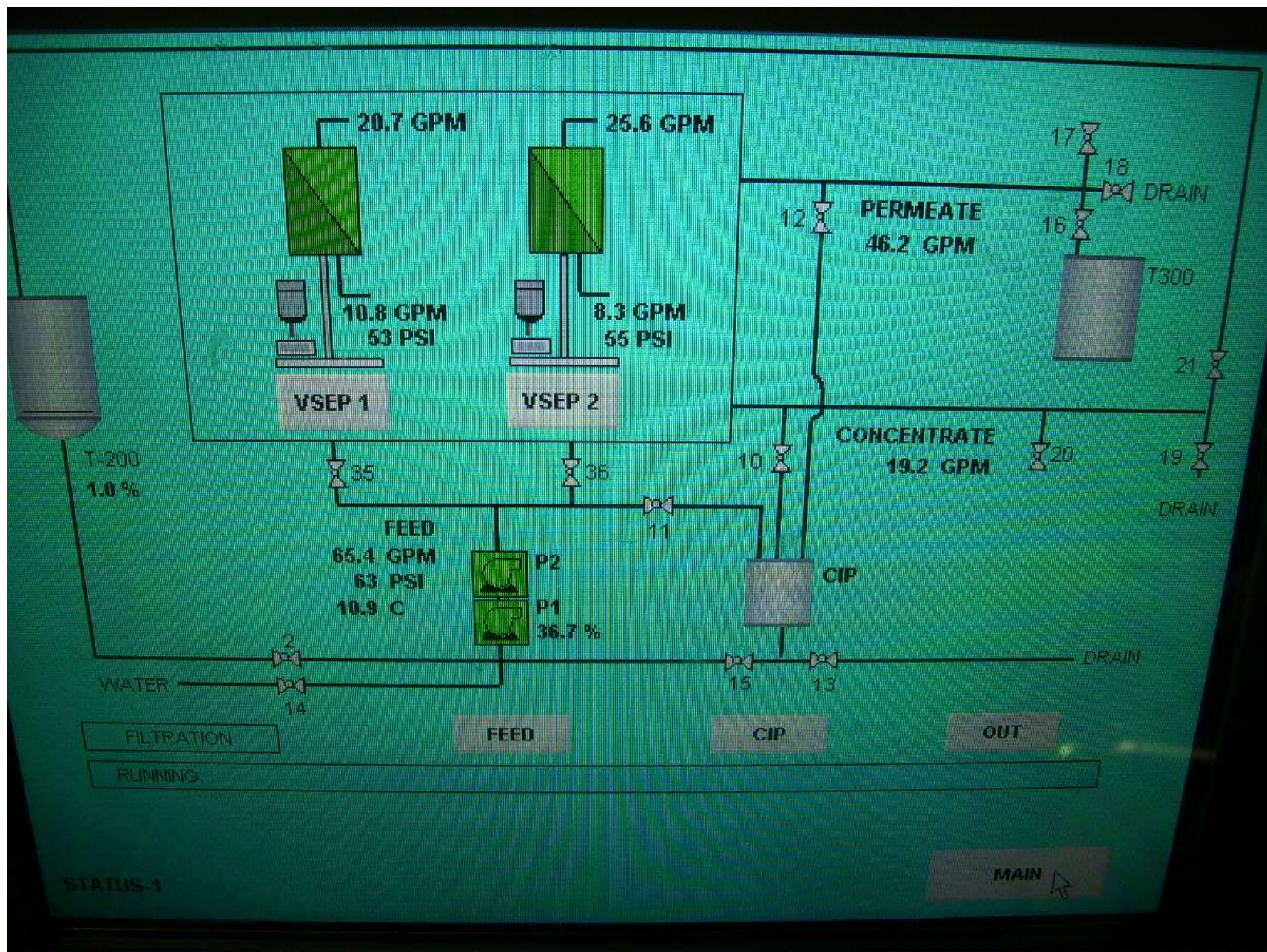




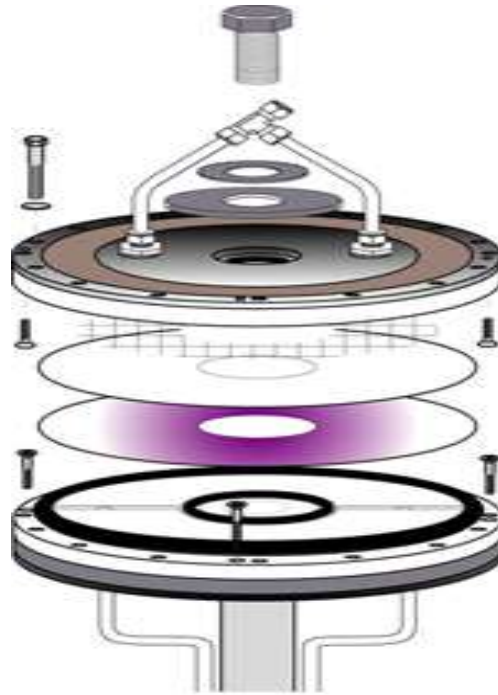








New Application
From
March 15th



- The fluid is mostly water but it has a good amount of raw oil in it, together with suspended solids (I am approximating about 3-5% by volume of oil). It also seems to contain a good amount of cross-linked polymer of the guar gum variety, but I do not know that for sure and could not verify it- as usual, I received it as “mystery” fluid. One thing for sure it has a bit of viscosity going on at room temperature.



FBW
FEED
10-3-11

FBW
PERMEATE
10-3-11

Sulfate Removal



Sulfate Removal

- In general, with the NF-270 membrane, we stayed along the same path for sulfate reduction, when we do a "batch concentration", the feed has more sulfates then the permeate has more with the same rejection rate, thus, my subsequent tests were:
 -
 - Initial Feed = 1,776, 0 sulfates, then 12, then finally 40.
 -
 - Another Feed = 427, 10 sulfates, then finally 62.
 -
 - Another Feed = 956, 5 sulfates, then finally 30.

Sulfate Removal



Sulfate Removal



Sulfate Removal









Talking Points and Feedback

- What are gas industry water quality needs?
- Re-use Water Quality Requirements
- Environmental Concerns About Re-use
- Safety Concerns
- Economic Factors
 - Effect of Impending DEP Discharge Limits
 - Present & Future Costs for Flowback Disposal
 - mgalimberti@vsep.com tel 814 861 1506