

Expert Analysis and Performance Testing Instituted as Key Component of Chemical Program Evaluation in RFP Process

Eagle Ford Shale operator reduces chemical spend with savings of \$375,000 and improves overall quality of treatment after OLA performance testing

The Situation

A South Texas operator initiated an RFP process to reevaluate their chemical treatment program, and wanted to include the incumbent and multiple new suppliers in the evaluation. The challenge was to improve cost efficiency of production well chemical treatment without compromising treatment quality.

The Solution

OLA was engaged as an independent partner with the exploration and production company to provide unbiased third-party testing of chemical products as part of the RFP process. The primary task was to evaluate product performance and product cost to determine cost efficiency and the best product mix.

Side-by-Side Direct Comparison of Multiple Chemical Providers

In cooperation with the chemical service companies, we evaluated information on their products submitted for their program, as well as their proposed treatment for the wells to determine the most effective and fair methods for evaluating products. The chemical products typically used covered a wide variety of chemical types, including Hydrogen Sulfide Scavengers, Corrosion Inhibitors, Scale Inhibitors, and Paraffin Inhibitor.

Consideration for Treatment Rates and Cost Per Gallon

In addition to product testing, we estimated usage-based costs from price quotes and determined ideal treatment rates from testing. This provided the operator with product selection variables based on cost per gallon and treatment rates. We provided consultation on the testing and presented total chemical program options to provide final discretion to the operator.

The Outcome

The customer selected a new chemical supplier to provide product recommendations and saw equal or better treatment with lower program costs overall. The operator forecasted that the work completed by OLA would reduce the chemical spend by an estimated \$375,000 year over year, and lower the overall well failure rate for the company in the Eagle Ford Shale.

Testimony

Our company understood that we needed a way to quantify the chemical program evaluation process. OLA provided both the laboratory services and the analysis that equipped us for a proper decision.

Production Manager,
Eagle Ford Shale Operator

An Eye on ESG

OLA uses a wealth of experience and expertise to help clients and push the industry toward more sustainable practices and outcomes.