

Challenges (Mud Management)

Excessive solids (ultra fine solids)

- Dilution economics & waste volume disposal
- Differential sticking, stuck pipe, casing running issues
- Cement placement & gas migration

Rheology control

- Solids control equipment performance
- Viscosity control, hydraulics modeling, ECD control

Gains & losses

Influx/kick, ballooning, loss circulation

Insufficient onsite oversight

 Mud mgmt function left to ServCo rep who's objective is to use/sell more mud





Status Quo

- Mud balance & marsh funnel data every hour
- Oil/water ratio & solids analysis once per day using a retort
- Dilution volume KPIs may not be optimized
- Solids control equipment may be under utilized
- Waste volume generated may not be minimized
- Key performance indicators may not be realized
- Saving mud costs controlled by mud sellers





Objectives

- Optimize mud dilution volume needed to complete the well
- Timely tuning of solids control equipment performance
- Minimize the volume of waste being generated
- %LGS real time monitoring towards drilling performance (ROP, ECD, MSE, Viscosity, Hydraulics)
- Identify wellbore anomaly warning signs
- Empower onsite drilling ops supervisors with better auditor tools (ie, mud mgmt data and know-how)





Achieving Objectives

Real-time measurements and calculations

- Density
- Retort (O/W Ratio, LGS)
- Mud report

Effective onsite oversight on drilling fluid managers

 Mud mgmt training/mentorship for drlg operations supervisors





Density (and Viscosity, Temp)

- unprecedented ease of site installation



Resonant Freq and Damping Detectors - mud density & viscosity; recent (2018Q2) successful deployment in Texas, accuracy @ 0.5% and very repeatable.

Frequency shifting internal minute vibrations achieve resonant frequency at different mud weights and viscosity (independent frequencies)

Significantly more robust single-rod assembly vs. 2-tine "fork" type; requires minimum preventative maintenance and can easily be managed by the rig crew, no cutting, no welding requirements



Simultaneous Concentration (SiCon)



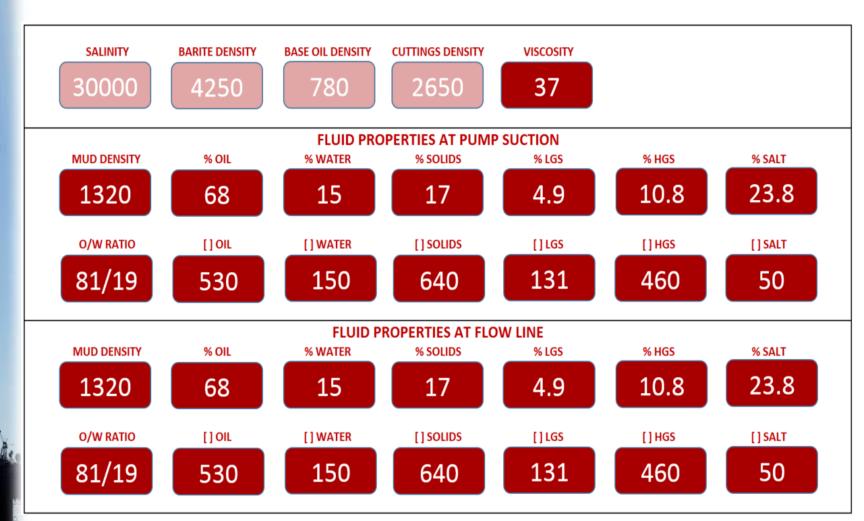
Submersible diaphragms "Stray Field Capacitance" ultrasound technology. Patented sensing and algorithm allow differentiation of between oil and water concentrations while attenuating amplitudes of all other mud additives.

Combined with precise **Density** measurement, **%Oil**, **%Water**, **LGS**, **HGS** and **Dissolved Solids** parameters become real time information (calc via API R13 method) to display **actionable outputs**.





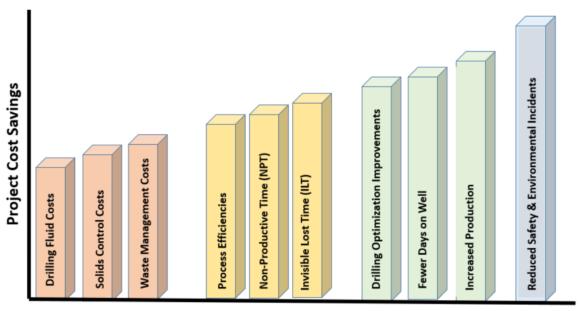
Real-time Display





Training / Mentorship Programs

Building Value – One step at a time



Learning Curve Staircase of Time

Training program director qualifications:

- Masters of Petroleum Engineering
- 20+ Years Drilling Fluids Engineering, Solids Control & Drilling Waste Management
- 10+ Years Drilling Fluids Instrumentation R&D various drilling operators
- Several patents and patents pending related to drilling fluids instrumentation

