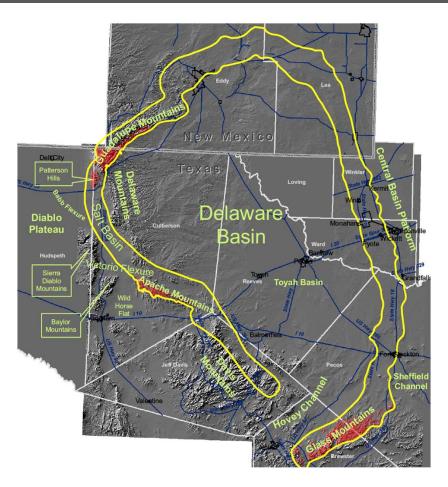


Capitan Reef Treatment Overview

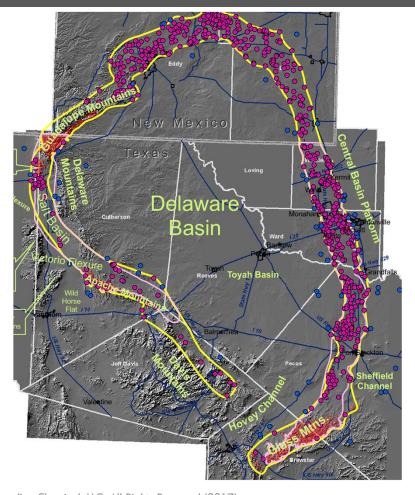


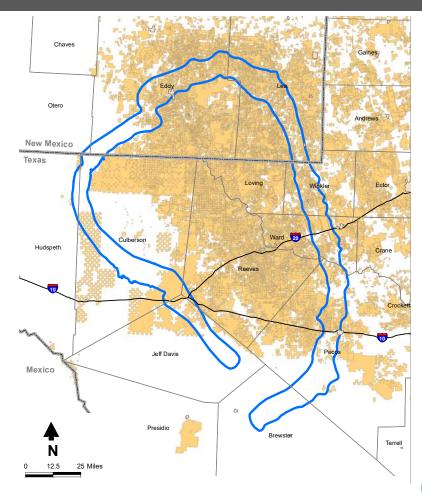
Capitan Reef Complex Aquifer

- Strategic Water Source for all Delaware Basin
 Operators
- Horse-Shoe around most of currently leased horizontal well acreage
- 3,500 4,500 Vertical Depth Aquifer
- Slightly Brackish
- Just above Bone Spring
- Primary Concerns:
 - H2S Aqueous
 - Calcium Sulfate
 - Calcium Carbonate



Capitan Reef – Data Sets & Operators







Streamline Chemical, LLC; All Rights Reserved (2017)

Pro's

- Prolific: 22,000 square miles in far west Texas and southeastern New Mexico
 - Portions of Winkler, Loving, Ward, Pecos, Reeves, Jeff Davis, Culberson, Brewster, Hudspeth in TX; Eddy, Lea in NM
- No water right permits required in NM! No appropriation process! Not contested
 - Only requires a notice to drill
- Economy of Scale: wells can produce 500 GPM, upwards of 1,500 GPM!
 - Santa Rosa wells in NM average 75-100 GPM

Con's

- More expensive well (at least 4,000 ft depth)
- High water variability
- H2S & Sulfates always present



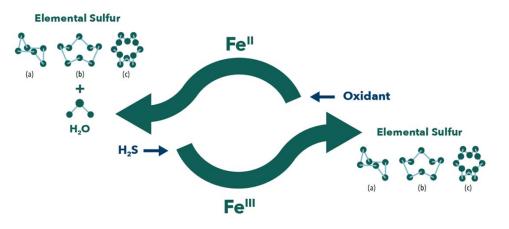
Streamline Chemistry

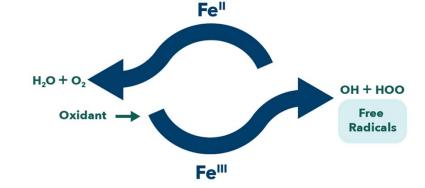
"Talon Reagent" chemistry is catalyzed by a Stabilized Oxidant.

Based on dosage ratios and water composition, reaction follows two oxidant pathways.

Sulfide to Sulfur Redox

Modified Fenton's Reagent





Preferential Reaction with H₂S present.

Hydroxyl Radical formation at pH 6.3 to 8.3.

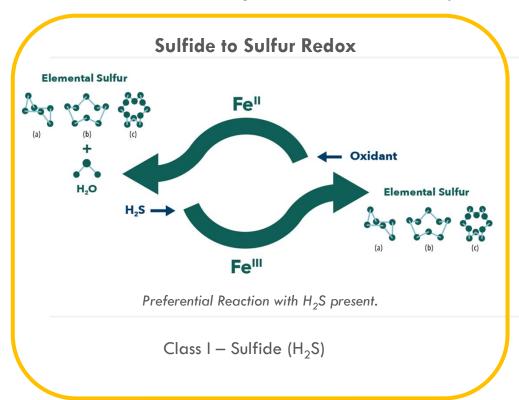
Class I – Sulfide
$$(H_2S)$$



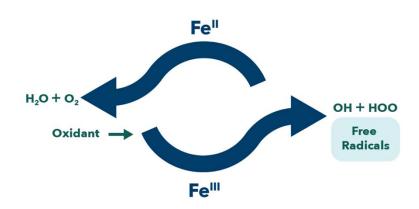
Streamline Chemistry

"Talon Reagent" chemistry is catalyzed by a Stabilized Oxidant.

Based on dosage ratios and water composition, reaction follows two oxidant pathways.



Modified Fenton's Reagent



Hydroxyl Radical formation at pH 6.3 to 8.3.

Class II – Phenol, Cyanide, Amine Class III – BTEX, MtBE, PCE, TCE, FOG





Water Characteristics

- Over 120 PPM H₂S Aqueous
- Chlorides: 10,000 mg/L
- Low Iron Content
- Calcium & Sulfates Present

Site Design

- Treatment Requirement: 0 PPM H₂S
- \bullet Flow Rate: 27 BBL / Minute
- Application: Quills & Static Mixers
- Settling: Floc & Drop

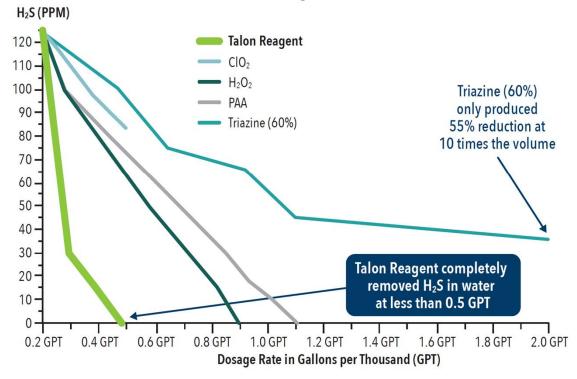




Case Study – Capitan Reef

A brackish aquifer well contained 120 PPM H₂S aqueous. A large U.S. operator planned to use the water for stimulation, but could not treat the water effectively enough to meet safety standards. The operator tried numerous solutions, including Chlorine Dioxide, 60% Triazine, H₂O₂, and PAA. Streamline's Talon Reagent System performed 3x better than the nearest competing solution, reducing H₂S to 0 PPM in the effluent, and saving the customer money.

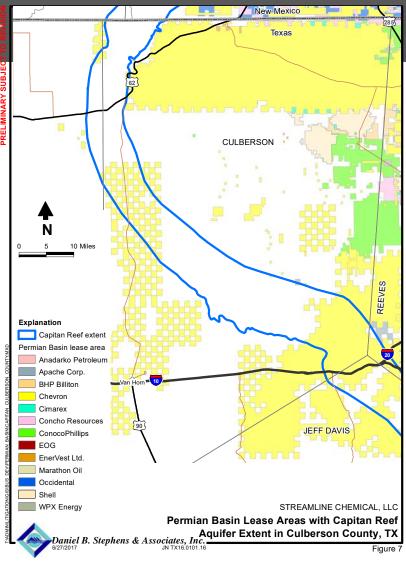
H₂S Treatment in Brackish Aquifer Well



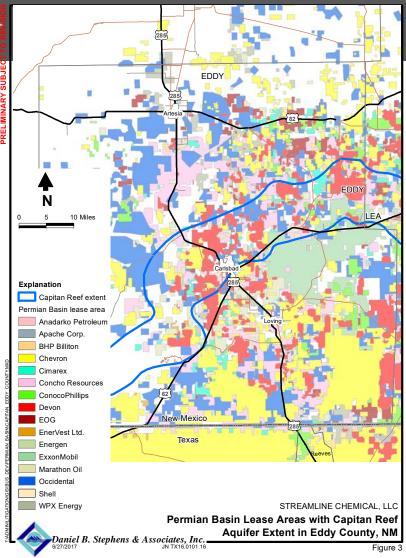




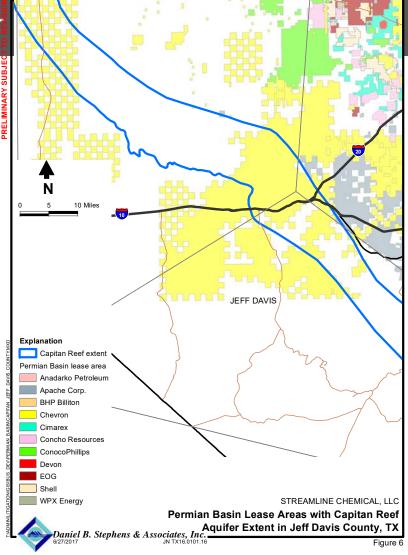
Backup Slides



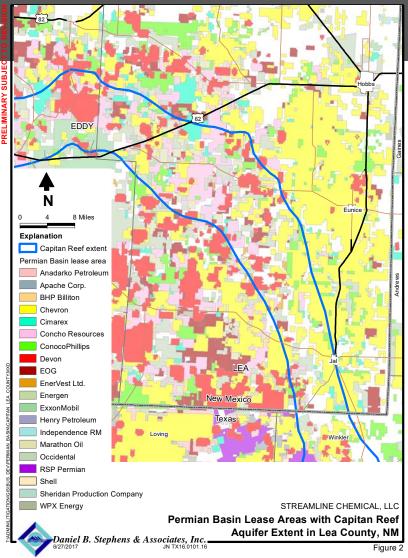




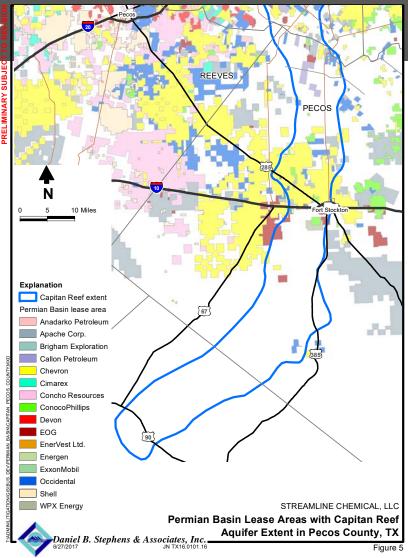




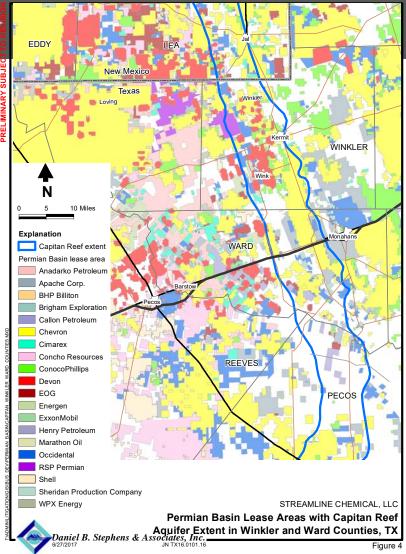














Case Study – Storage Tanks

A central distribution facility contained high levels of H2S in storage tanks, causing Health, Safety, and Regulatory concerns for a South Texas operator. Prior to treatment, headspace H₂S levels reached 140 PPM. The Talon Reagent System rapidly reduced H₂S concentrations in the sour water influent, bringing aqueous H₂S levels to 0 PPM. Tank headspace H₂S levels dropped to below 2 PPM as treated water flowed in at 600 BBL/day. The cost-effective treatment program allowed the operator to reduce risk and responsibly manage produced water.

H₂S Treatment in Produced Water Tanks

