

OCTOBER 2019

## ENERGY TECHNOLOGY MUSINGS

An offshoot of Musings from the Oil Patch, Energy Technology Musings will focus and provide commentary on notable insights, trends and news related to technology and software within the energy industry.



### HARNESSING EQUIPMENT AND PROCESSES TO IMPROVE EFFICIENCY

The oil industry is thought to be all about “iron,” represented by drilling rigs, pipe, valves, and pressure pumping equipment. The reality is that the business is primarily about fluids – those being sought and those necessary for that search. While crude oil and natural gas are what producers seek, a growing challenge is dealing with the volume of water produced along with the hydrocarbons.

Water has always been associated with oil and gas production, but the shale revolution has unleashed dramatically greater volumes, as well as boosting the need for more clean water supplies to handle the fracturing of shale wells. Over the past decade, the oilfield water-handling business has mushroomed, creating an opportunity for a fluids management industry. This new industry is striving to automate as much of the fluids operations required for drilling, completing and producing shale wells. Success in this effort should help producers to control, and hopefully reduce, well breakeven costs.

Managing drilling fluids, clean water supplies and production chemicals, as well as the disposal of produced saltwater are important aspects of a fluids management business. These efforts represent an aspect of oil industry operations that is ripe for efficiency and cost improvements. An entire industry has grown up monitoring the performance of engines, compressors and other equipment to better manage maintenance and repairs, so why can't the same approach be applied to fluids? As the energy industry well understands, equipment failures and outages can be extremely expensive in an industry where millions of dollars a day are involved. The same is true if fluid supplies fail to arrive on time, or wastewater creates environmental issues.

There will always be untimely equipment failures, but minimizing those incidents is critical to the ongoing success of the energy business. Additionally, enhancing the efficiency of transaction-related interactions between service companies and their suppliers and customers is paramount as companies continue to seek to reduce human error and improve billing accuracy. More automation of the fluids management business will reduce equipment failures and improve transaction interactions, while increasing safety and operational performance, all of which will streamline workforces and improve financial results.

## COMPANY SPOTLIGHT



**Background:** Upon visiting a West Texas wellsite in 2011, SitePro Co-Founders, David Bateman and Aaron Phillips, were shocked to see several archaic processes taking place (e.g. paper field ticketing, manual equipment monitoring, and underpowered control equipment). They knew that by leveraging automation and software technology, they could offer a solution that would greatly improve on-site operations in the oilfield and started developing the SitePro platform. Approximately one year later, SitePro landed its first customer, an owner of a portfolio of saltwater disposal wells (SWDs) in Texas.

**Value Proposition:** Once fully implemented across a customer's organization, David mentioned three ways SitePro enhances operations compared to conventional methods:..... [READ MORE](#)

For this month's Company Spotlight, we interviewed SitePro Co-Founder and Co-CEO, David Bateman, about how they are making the upstream oil and gas industry more efficient, safe, and environmentally friendly. SitePro provides a digital automation solution to “sites” across the oil and gas industry, including saltwater disposal wells, produced water pipelines, and production facilities. For more information on SitePro, please visit [sitepro.com](http://sitepro.com)

## NOTABLE NEWS

As part of the press release the following statement was made which sums it up nicely; “Data is quickly emerging as one of the most valuable assets to any company, yet extracting insights from it is often difficult as information gets trapped in internal silos.” If successful, collaboration should allow for data sharing across divisions improving decision making and operating efficiency throughout the company. 🦁

Related Press Release

[Schlumberger, Chevron and Microsoft Announce Collaboration to Accelerate Digital Transformation.](#)

We had the opportunity to attend the Rice Alliance Energy and Clean Technology Forum and came away very impressed by both the quality of companies presenting and the attendees. The forum included approximately 225 startup applications and attracted a diverse attendee list including investors, professional service providers and industry leaders. There seemed to be a heavy focus on utilizing technology for leak detection and inspection / integrity management which was supported by the fact that five of the top 10 companies chosen fit into this category. 🦁

Related Press Release

[10 most promising companies named at Rice Alliance Energy and Clean Technology Venture Forum.](#)

Ernst & Young (“EY”), one of the world's largest professional services firms, is introducing two new digital solutions built on the Microsoft Azure cloud platform. The Digital Energy Enablement Platform (DEEP) offering serves the upstream oil and gas sector whereas the UtilityWave targets the power sector. Benoit Laclau, EY Global Energy Leader, stated “The energy system of the future will be vastly different from that of today, meaning the energy industry needs to develop different capabilities, embrace innovation and explore new technologies.” 🦁

Related Press Release

[EY announces new innovative digital solutions for the energy industry built on Microsoft Azure.](#)

Cottonwood Venture Partners led the Series A investment in Engage Mobilize to accelerate growth and product development. Engage enables operators to more efficiently manage its supply chain through delivering transparent field data. The service offering appears to be comparable to Liquid Frameworks, which was recapitalized by Luminata Capital Partners in January 2019. 🦁

Related Press Release

[Engage Mobilize Closes Series A Financing To Expand Its Digital Field Management Platform.](#)