

SIGNIFICANT COST SAVINGS IN MEXICO

PEMEX, a major state owned oil company in Mexico, had been flaring 0.6 MCFPD of gas to the atmosphere while leasing a separation unit and paying for the carry of up to 20 BPD of oil.

Location:

- Poza Rica, Veracruz, Mexico

Length:

- 3.2km

Project Scope:

- Flexpipe used as a flow line to replace a gas burner

Dates:

- June 2012

Application:

- Oil & gas to a gathering station

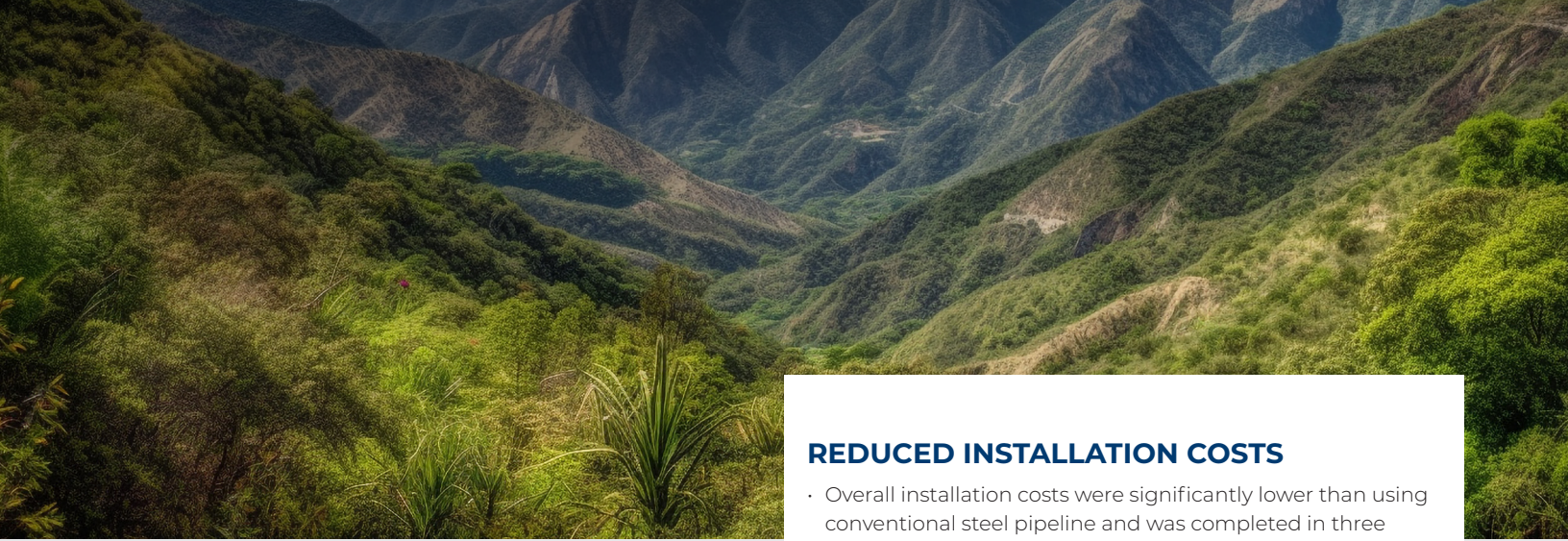
Products:

- Flexpipe 4" ANSI 150

They wanted to build a new line to the gathering station to save money from gas flaring, leasing of the separation equipment and transportation of the oil. Land ownership in the region was very sensitive to any activity so they had to build a 600 meter directional crossing in an 8" casing steel pipe to accommodate the land owners request not to build anything on his property.

Flexpipe was the optimal solution to this problem.

The project included installing 3.2km of Flexpipe in addition to the 600 meter directional crossing below the land owner's property. A small crew completed the entire installation in just three days. The quick installation allowed PEMEX to realize immediate savings as it eliminated costs associated with corrosion, oil separation and transportation. Cost savings were estimated at around \$144,000 USD per day of gas.



REDUCED INSTALLATION COSTS

- Overall installation costs were significantly lower than using conventional steel pipeline and was completed in three days. There was a minimum disturbance to the land which was very important to PEMEX and land owners in the area. No requirement of welding, x-ray, or extra crews needed to complete the installation.

CORROSION RESISTANT PIPELINE

- No chemical injection programs were needed to protect the linepipe from corrosion. Nickel-coated fitting covered with denso tape and denso paste increase the corrosion-resistance. No additional costs required to use corrosion anodes.

DIRECTIONAL LAND CROSSING

- During the project, Flexpipe was run 600 meters below a land owner's property withing an 8" steel casing. This pull job was completed in 4 hours.

REDUCED ENVIRONMENTAL DISTURBANCE

- Using Flexpipe meant PEMEX could avoid flaring 0.6 MCFPD, which allowed them to put that gas into production. With a fast installation, the land owner only had to wait two days to have his property returned to its original state as before the installation.

IMPROVED USAGE OF GATHERING STATION

- The gathering station was used to separate oil and gas from production of the well allowing PEMEX to have a better return on its investment in the area. PEMEX also reduced the costs of flaring the gas, leasing a separation unit and avoiding oil land transportation from the well site to the gathering station.

