

YATES PETROLEUM CORPORATION

PRODUCED WATER PILOT
PROJECT

HISTORY OF THE PROJECT

- 100,000 + bbls/day of Produced Water
- Down hole injection only available disposal method
- VISION

GOALS FOR THE PROJECT

- Find an economic alternative to down hole disposal
- Planned vs. Crisis Management of SWD assets
- Above Ground System – serviceable
- Stay within regulatory guidelines

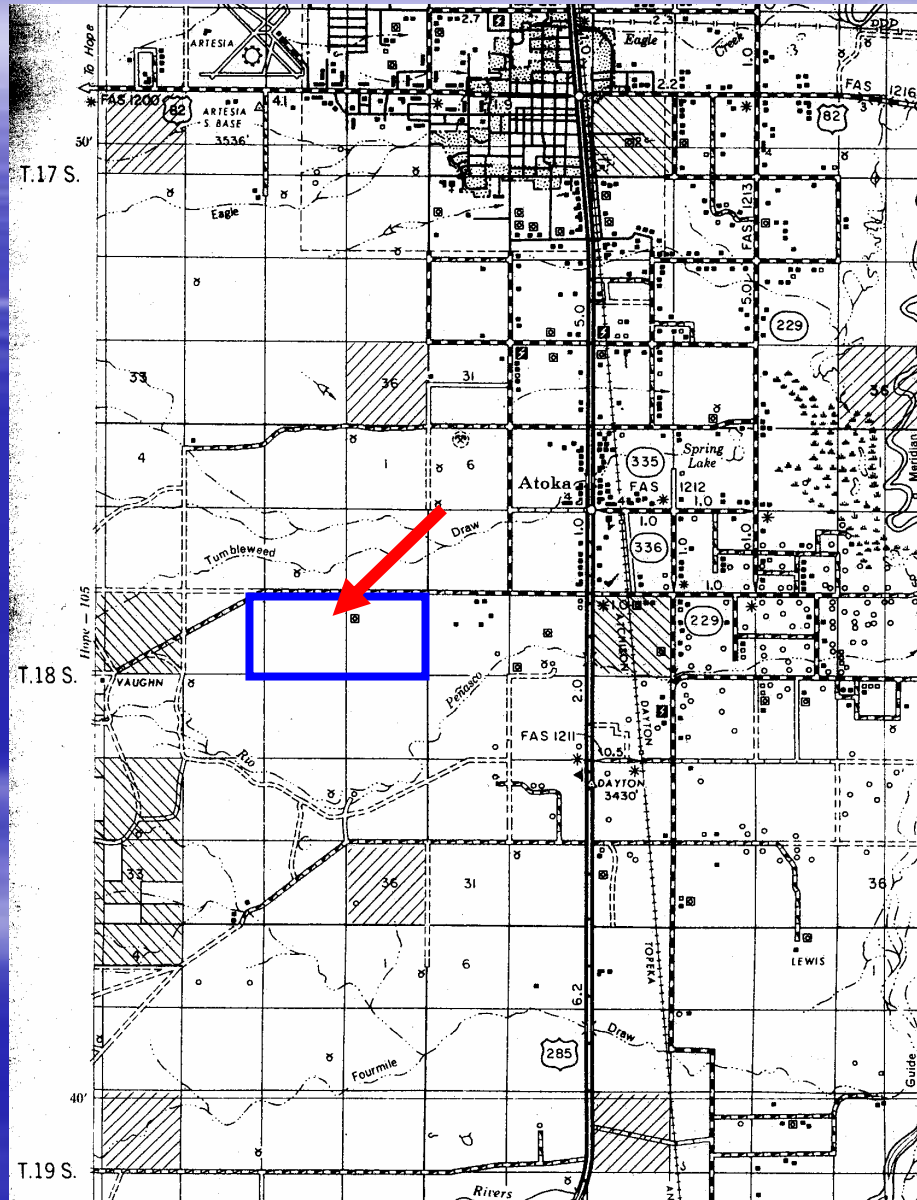
CHALLENGES

- Regulatory Constraints

New Mexico Oil Conservation Division

- Disposal Site?
- Water Quality-<9,000 Total Dissolved Solids
- Proven Process? – Large Volumes

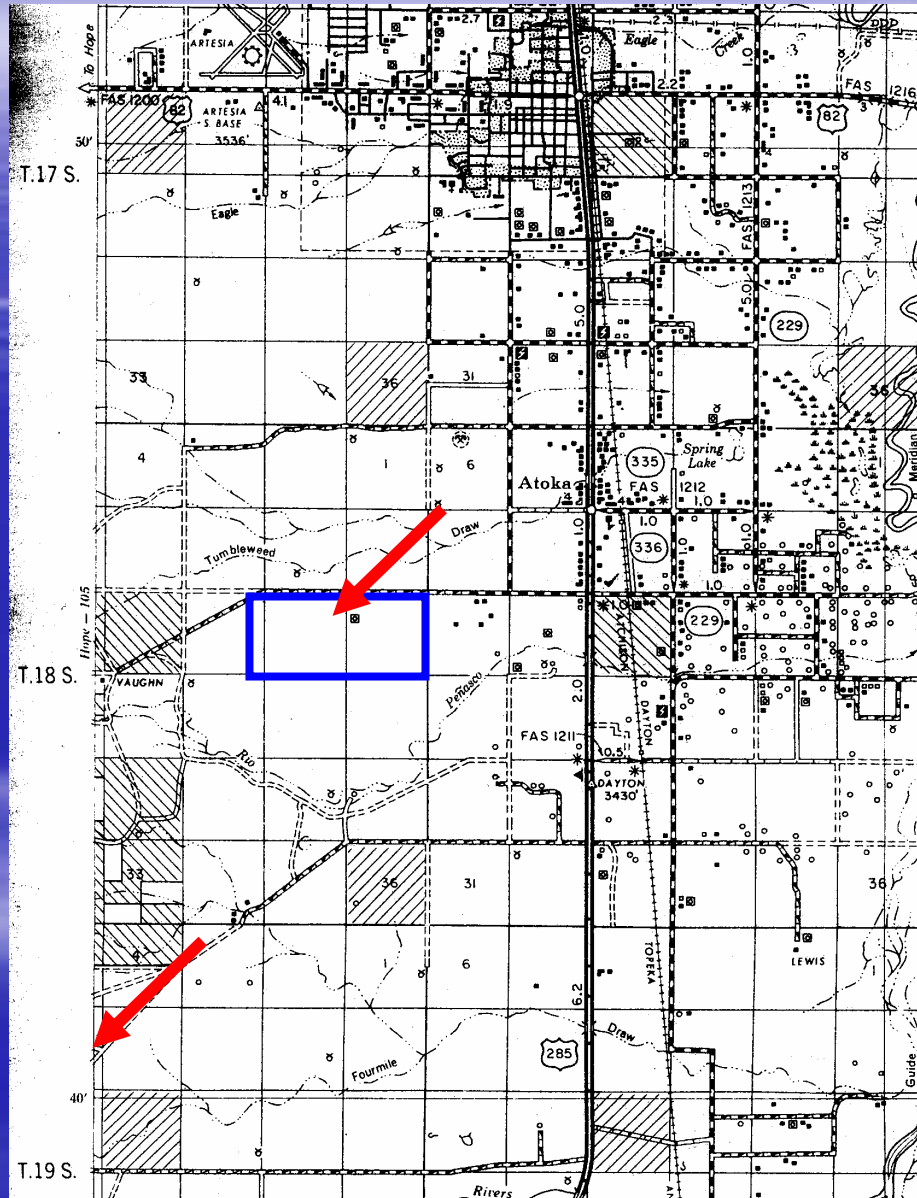
Location



PILOT CONSTRUCTION

- Process Selection – Proprietary
- Site Selection
- Permit Acquisition
- Environmental Award

Location



**ENVIRONMENTAL MERIT AWARD
2002**

Awarded to:

**YATES PETROLEUM
CORPORATION**



CONSTRUCTION COMPLETE





PROJECT STATUS

- Limited Success
- Product Development