



January 16, 2018

D & B Oilfield Services, Inc.



## D&B OILFIELD SERVICES, INC.

- Headquartered in Ringwood, OK for more than 15 years
- We provide water solutions to multiple industries and have provided operations in every major play across the lower 48
- BACKGROUND
  - For over a decade, we have been highly focused on implementing technologies and processes to reuse and recycle produced water to minimize the use of fresh water as well as to create innovative processes to better utilize all of our resources responsibly.

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- **PROPOSED HALF PINT WATER TRANSFER SYSTEM**

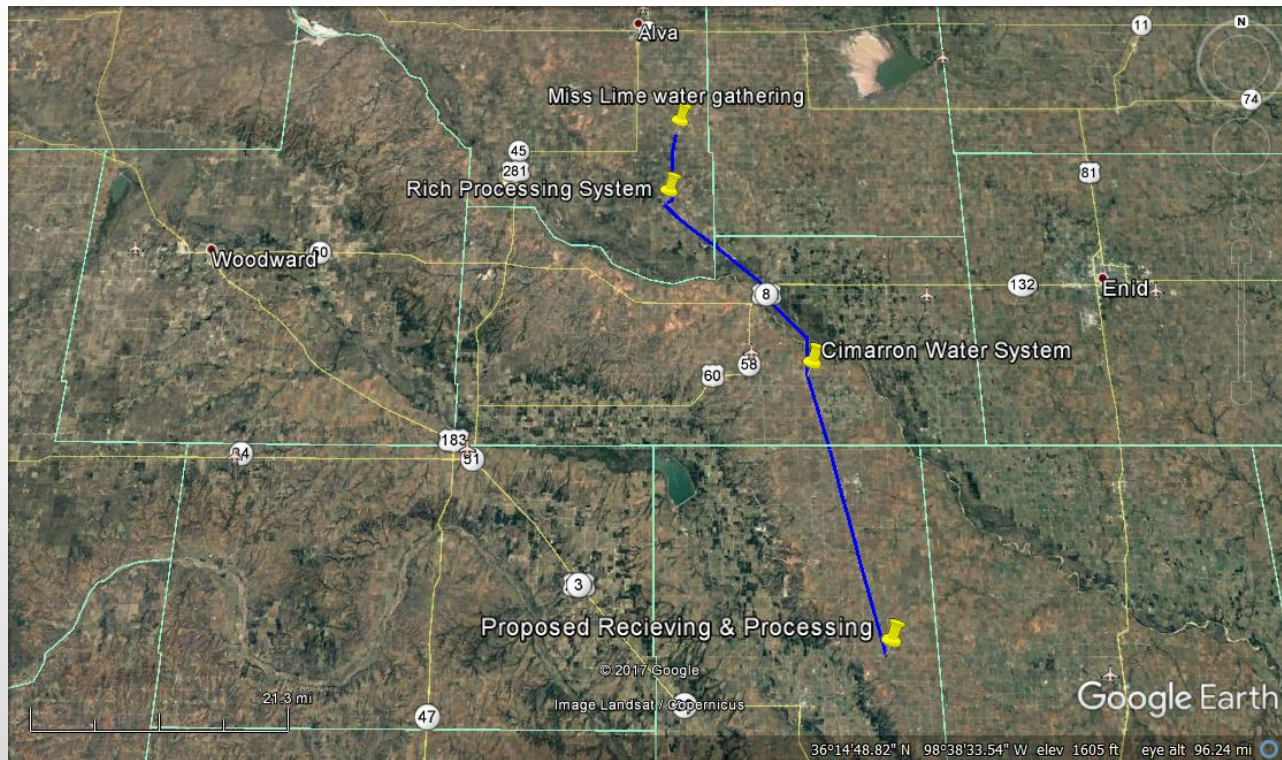
- Approx. 20-50 miles of double lay 20" HDPE pipe with multiple end points in the STACK play
- Multiple water stations with receiving and distributions points along route
- 175,000 BPD capacity per 20" line providing 350,000 BPD total capacity
- The system is designed to receive produced water from the Woods County Miss-Lime Play then deliver processed produced water to the operators in the STACK play
- Capability to add multiple temp. processing or delivery points throughout the length of each segment
- Capable of delivering processed produced water, brine, and groundwater for blending
- Multiple existing leases held by D&B for produced water processing, SWD facilities and groundwater assets along route

- **PROPOSED RECEIVING IMPOUNDMENTS AND PROCESSING FACILITIES**

- Large tracts of land allowing access for custom built water storage ponds or above ground storage tanks for water storage and staging.
- Capability to drill and operate a salt water disposal well and water processing plant on the property providing a solution for the waste streams that originate in the stack as well as fluids deemed unusable.
- Capability to blend waters to customize the end product composition.



# Half Pint Water System



- Pipeline routing was chosen to include existing assets, resources, and ROW agreements providing value and versatility to maximize the economics and capabilities of the system.

# SOLUTIONS

- The ability to reuse produced water vs. consumption of freshwater for stimulation, reduces injection volumes as well as promotes freshwater conservation to minimize the impact on our life giving resources
- A lasting and dependable water source needed to serve the drilling and stimulation needs in the STACK play as well as provide relief for disposal needs in the Miss-lime play
- All water will be billed per BBL of water delivered or received with all necessary services included in the flat rate. Billing can be structured in a number of different ways to best suit the needs of each individual operator
- Cost per BBL will be contingent upon the level of commitment from the operators and the nature of the services required. Takeaway and delivery agreements will provide cost recovery to D&B and it's capital partners
- D&B has capital partners that are willing to provide all necessary funding for project execution, completion and start up working capital. The capital partners manage funds in excess of \$900,000,000 and are capable of funding 100% of the project

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# CONCLUSION

- The increase in oil and gas development WILL further stress our aquifers that are already experiencing unsustainable water usage in some impacted areas
- Water midstream infrastructure and facilities are necessary to achieve resource development by moving the resources from where they are not needed to where they are
- There are many solutions for problems that don't exist. Economic reuse technologies have been available for quite sometime. The KISS principle always applies
- The biggest hurdles to sustainable water programs are the unwillingness to commit to a certain program
- The State of Oklahoma and it's residents rely on oil and gas revenues and this artery will spur lasting sustainable development in its area of operation





# THANK YOU FOR YOUR TIME!

