


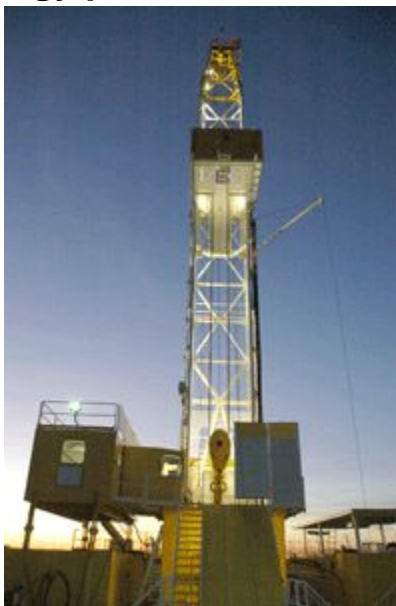
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Rotex Energy plans to build oilfield waste



In the future, drilling companies in the area will be able to utilize the services of Rotex Energy, a new oilfield waste company.

Lizz Bottrell 12.JUN.09

A new oilfield waste company plans to invest a few million dollars into a site located near Wilmar to take advantage of the growing oil industry in this corner of Saskatchewan.

Rotex Energy Ltd. hopes to begin construction on the new oilfield waste processing facility this July, with anticipation of having the plant operational two months later. The site will include a disposal well, waste processing of tank and vacuum truck loads, and a frac water supply.

“What we like in this area is obviously the Bakken,” explained Kevin Baumann, Rotex president. “We’re located a little further southeast compared to other facilities, but in our opinion, there will be expanding activity in and around this area and in the waste business, location of the facility

plays a big role.”

This new facility will be built near Wilmar, approximately 30 km north east of Lampman.

Rotex held an open house in Lampman on May 29 to answer any questions from people in the area. Prior to the open house, the company contacted everyone within a two kilometre radius of the site to discuss the project.

The company began working on this project a year a half ago, when at the same time, it looked at developing other facilities in various areas with heavy oilfield activity.

“We’ve identified four key projects which Rotex is developing,” explained Baumann. “We’re developing a landfill in the Northwest Territories, a disposal facility in northeastern British Columbia to serve the Horn River Play, a facility in Bruderheim, AB, which includes waste processing, 1A disposal and cavern disposal, and of course, the facility in Lampman.”

Of the four projects, Lampman’s will be the first operational site.

Rotex secured the site a few months back, and are just now in the stage where the project can move ahead. They’re converting an older well on the site to a disposal well, which will reach the Mannville Zone. This zone reaches depths of more than 1,000 metres, making it an excellent disposal zone.

While the company is glad to offer the disposal services in the area, Baumann’s real pride and joy is the frac water supply.

“Less than a half mile away from the disposal well is a second well from which we are going to supply water” explained Baumann. “The water is deeper than 1,000 metres in the ground – no one is going to drink it. This is an environmentally sustainable option. In our opinion, the days of using fresh water for fracturing operations will come to an end.”

The frac water supply should be welcomed by companies in the area, as it rids them of the need to acquire water diversion permits, which are required whenever a company is using a fresh water source for frac operations.

“From research we did, there were 875 permits issued for Southeast Saskatchewan in 2008 for water diversion,” said Baumann. “At an estimated 1,000 cubic metres per permit, that’s 875,000 cubic metres used. This is equal to six million barrels taken from non-renewable, shallow wells, creeks, dugouts and lakes. A lot of those six million barrels would be for frac jobs, so we feel there is a market.”

Another option Rotex provides is to send out the water at whatever temperature the company requires. They can heat it right at the plant and send it out the gates. Further, the company has the desalination technology to ensure the water has the proper salt content required for the job.

To stick with the sustainability trend, in the future, Rotex plans to capture emissions from their coal burning boiler, which will heat the facility, and utilize carbon sequestration technologies.

The company expects to create up to 10 jobs at the plant, making it a fairly good contributor to the area. Further, they plan to utilize people from Saskatchewan to construct the plant.