



Exploring New Ways to Maximize Natural Gas Returns

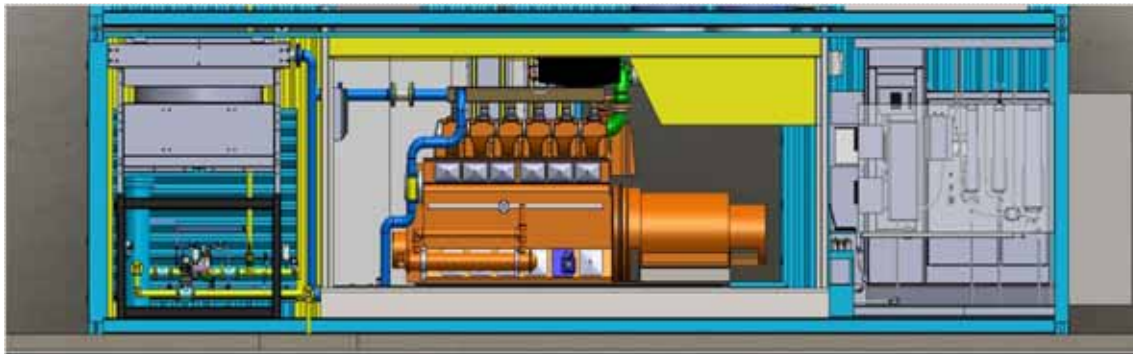
Downstream Generation Systems

Self Contained – Modular Design

- Natural gas to the box – customer utility outputs
- Below EPA emissions standards
- Sound management based on site requirements
- Safeguards / Security / SCADA / Protocols
- Applications
 - Local Grid Support, Baseline Industrial, or CHP.
- System Life 18-20 years before engine replacement



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Advantages

Downstream Generation Systems



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- **Flexibility**
 - Often easier to get energy in a line than gas in a pipeline.
 - Off spec gas can be handled by most systems.
- **Cost Savings**
 - Cost per kWh is less than power plants
 - On-site use as well as selling to the distributor
- **Reliability**
 - Keeps your gas utilization high.
 - Utility is a good credit customer
- **Redundancy**
 - Back up - Security



Economics



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Stranded Gas model

- 1 megawatt (1000KW) generator
- Uses 200 MCF per day
- Sells electricity to Grid on long term contract
- Average price per KW is \$0.072

- Total yearly Revenue \$ 604,800
- Maintenance Cost \$ 100,000
- Yearly Lease Cost \$ 145,000
- Net Profit \$ 359,800
- Yearly Gas Usage 70,000 MCF

Net Price per MCF \$ 5.14 on-going



Benefits

- **Stranded Gas is valuable when put to work**
- **Consistent, projectable income**
- **Power Purchase Agreement confirms payment**
- **Putting your gas to work everyday**
- **Stranded assets are no longer “Stranded”**
- **Expands or revitalizes exploration opportunities**
- **Partnering with Industry will create additional revenue streams**



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New Flare to Energy (FTE) Solutions



**Gas Stripping Systems
250 MCF and up**

**WES
500 KW and Up**

**Mobile CNG Stations
1200 GGE of CNG**



Flexibility for developing profits from your stranded gas or flare

Thank You!



**WELLHEAD
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Don't let your gas
go up in smoke, or
your liquids go
down the drain.

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