

## LEADING THE WAY

Multistage fracking pioneer  
Packers Plus plays major role in  
cracking the tight oil code

**WHEN THE HISTORY** of all the business success stories emerging from the development of the tight oil and gas reservoirs in western Canada and the western United States is chronicled, the story of a 12-year-old Calgary-based company that specializes in an area of oilfield technology unheard of until the last few years might be the most remarkable.

"We started small," says Dan Themig, president of Packers Plus Energy Services Inc. "When we were starting to set up our offices, I brought a computer from my house and we bought office furniture at the Salvation Army."

A decade later, the privately owned company employs over 750 and has annual sales likely in the hundreds of millions of dollars—although Themig refuses to divulge revenue figures. He says dollar figures aren't important and serving customers is.

Packers Plus has built two state-of-the-art manufacturing centres and a Rapid Tool Development facility—specializing in engineering, research and development, and testing—in Edmonton. It also maintains a U.S. corporate office, a technology centre and a Rapid Tool Development facility in Houston. It has seven offices and/or facilities overall in Canada, 11 in the United States, and has offices worldwide, including in the Middle East, the North Sea region, China and Latin America, with 31 offices overall.

Themig says it's inevitable that it will double its workforce in the next few years.

Themig and partners Ken Paltzat and Peter Krabben, who had all worked together at the former Dresser Industries and then for Halliburton Energy Services Inc., which bought out that company, knew exactly what they wanted to do with the fledgling company when they left secure jobs and formed it.

"We were committed from day one to bringing technology to the land-based drilling industry, with a focus on horizontal completions," said Themig.

That focus led to the development of a number of completion technologies, starting with the StackFRAC system, which revolutionized the completions sector by introducing multistage fracturing systems in horizontal wells, credited with unlocking the potential of tight and shale oil and natural gas.

The firm has since introduced dozens of products, including the new QuickFRAC system in 2011, which allows for up to 60 stages downhole while pumping 15 treatments at surface.

"QuickFRAC is a great technology that can meet the need for increased stage numbers in formations such as the Bakken, Horn River and the Montney as well as many others," said Themig. "QuickFRAC allows the operator to do the job of pumping 15 stages on surface

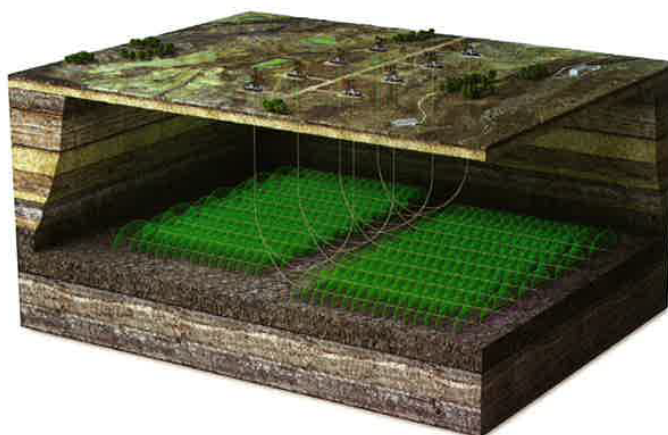
while Packers Plus does the job downhole, providing as many as 60 individual stages. This is done by taking a single pumping treatment on surface and precisely directing it into two to five stages downhole. For the operator, pumping time and costs are reduced significantly and production results are greatly increased."

Last summer it introduced its RepeaterPORT sleeve technology, which allows operators to increase the number of stages per lateral when they utilize existing Packers Plus systems.

"When we started the company we saw the need for high-end fracturing completions technology," said Themig. "There was horizontal drilling going on, but nobody was fracking."

The idea of starting a service firm that concentrated on a value-added niche came partially as a result of a class Themig took while he was studying towards a master's degree in business administration. "The professor said a business can either be a Saks Fifth Avenue or be a low-end alternative," he said. "We picked the Saks model."

Packers Plus first introduced its completions technology in the Barnett shale in 2003 and it now dominates the completions segment in most land-based tight and shale oil plays.



"When we started you could do five fracs," he said. "Our StackFRAC brought that up to 20 and now we have technology that can do 60."

More recently it has moved into the offshore market. "Offshore reservoirs might have an extended production life of 20 years or so because of our technology," said Themig. "We don't think the market understands that potential yet."

It continues to be an engineering-focused company, with about 10 per cent of its employees having engineering or technology degrees. He said the company has dozens of engineering projects underway and a number of projects in the developing stages.

Themig said the firm will be introducing a range of new products over the next six to seven years. And it's expanding its manufacturing capacity for a good reason. "We can't keep up with demand," he said. ■

**Jim Bentein**

### ▲ FASTER, GREENER

Capable of fracturing 60 stages downhole while only pumping 15 treatments at the surface, the Packers Plus QuickFRAC system also greatly reduces water usage by using consistent pumping rates.

IMAGE: PACKERS PLUS ENERGY SERVICES INC.