



Packers Plus technology becoming the industry standard

You stick a Band-Aid® on a wound. You Xerox® your resume to hand out to employers. When you're completing a horizontal well, in a tight formation, you Packers Plus® the heck out of it to free flow those reserves. Okay, so the name Packers Plus hasn't quite caught on as a verb yet, but it's close. After 10 years of marketing their innovative StackFRAC® system, Packers Plus has become the darling of the oil and gas sector, not just in North America, but worldwide.

"I was recently in Italy for the Society of Petroleum Engineers' (SPE) Annual Technical Conference," says Dan Themig co-founder and CEO of Packers Plus. "We co-authored three papers with some oil companies, but I was able to sit in on a couple of other papers and discovered that [Packers Plus] had kind of become a bit of a household name."

World-renowned frac expert, Mike Conway, talked about the complex difficulties he'd experienced in fracturing, and using other methods like cemented liners, 'plug and perf' and open hole. Conway said, "I even have these issues sometimes with Packers Plus systems. It was quite flattering to be at a world-renowned conference and hear our name used as a class of technologies," said Themig.

Packers Plus has come a long way since its humble beginnings in January of 2000. Their mission, from the outset, was to be a high-end, high-value provider of oil well completion technology, at a time when completion tools were woefully inadequate. Most of the development money was spent on logging and drilling technology. The Packers Plus team made inroads with their developments and surpassed what anyone in the industry had accomplished.

"Our tipping point came unexpectedly when a company out of Houston sent their Vice President to Canada looking for technology to complete horizontal wells in gas reservoirs, something that really just wasn't happening at the time," remembers Themig. "They came up to meet with seven companies, including us, which was just a very small Canadian organization at the time. We'd already begun to do some work in North Dakota in some really challenging horizontal wells... He came in and we were supposed to talk for 20 minutes or so, and we ended talking for almost an hour and a half. After that, he asked us to go down and meet with their technical group in Midland, Texas. That was the start of our endeavour into multi-stage fracturing."

That Houston-based company was EOG Resources [EOG-NYSE], which is one of the many major drillers and producers in North America that has utilized Packers Plus' services. Other majors that have received the Packers Plus bump in production include ExxonMobil [XOM-NYSE], Devon Energy [DVN-NYSE], Anadarko Petroleum Corp. [APC-NYSE], Murphy Oil [MUR-NYSE], Penn West Energy Trust [PWT.UN-TSX, PWE-NYSE] and Encana Corp. [ECA-TSX ; NYSE] to name a few.

Themig gives a lot of credit to the smaller companies that Packers Plus has worked with to push boundaries and find new ways to develop reserves economically. Despite the fact that it isn't a publicly traded company, you've probably heard the name Packers Plus in press releases and news stories especially those pertaining to the Bakken formation, where the company's technology helped to economically unlock the tightly packed reserves. Packers Plus' work

with groups like Crescent Point Energy Corp. [CPG-TSX] and PetroBakken [PBN-TSX] has been more than just mutually beneficial.

Strategies developed in areas like Saskatchewan and North Dakota for the Bakken are now being successfully transferred to big plays like the Cardium in Alberta with partners such as Celtic Exploration Ltd. [CLT-TSX] and Orlean Exploration [OEX-TSX]. Packers Plus technology is being utilized in the Horn River play in BC, Norwegian and British operations in the North Sea, West Africa, China and Saudi Arabia. Demand for their equipment is likely to increase as there is a worldwide shortage developing for fracturing equipment.

"The dynamics of our work are always changing, and if you look at the fracturing work being done in BC there is a shortage in equipment," says Themig. "Even Schlumberger is sold out well into 2011, as far as frac equipment goes. Going forward you're going to see a drive towards efficiency, and you're going to see a drive by Packers Plus as we've got a number of technologies due to be unveiled that will improve efficiency even beyond where it's at right now."

Considering the growth that Packers Plus has seen in its first decade of operation, the sky is the limit on what the team can achieve. Currently, there are over 50 companies in Canada alone that are using Packers Plus this year, and that number is bound to grow. Boasting superiority over typical cement liner methods, Packers Plus is seeing enhanced recoveries of 40-70% increases using their open hole system. Soon the name Packers Plus will be used synonymously with efficiency and increased production. ■