



Bringing Smart Technology to Centrifugation

LK Industries

October 13, 2016





LK Industries

- History and Milestones
 - Founded in 1930 as LK Pump and Valve Company
 - Built first centrifuge in 1950 – “The Melton”
 - Launched **Transport Series** in late 80's
 - Built first Lab Centrifuge in 1999 in partnership with Exxon
 - Acquired Miller and Weber in 2016
 - Developed first SMART Transport Centrifuge: 2016+
- About Us
 - Located in Houston, TX
 - 25 Employees
 - Five Core Product Lines
 - Centrifuges, Heaters, Gaging Accessories
 - Glassware (tubes, thermom, hydrom), 17025 Calibrations



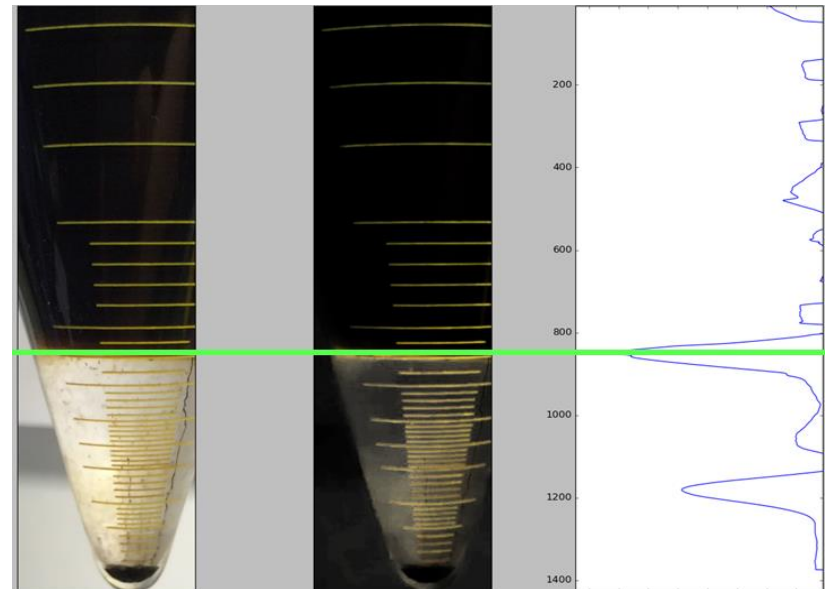


Field BS&W

- Current Approach:
 - Onsite centrifugation of sample by drivers
 - Suggested Method: API 10.4
 - Duration: 5 min test, RCF: => 500
 - Temperature: 140°F ± 5°F; samples within 15°F
 - Tolerance: one subdivision, minimum 2 tests, 2 samples
 - Results manually read and reported
 - Limitations of Current Approach:
 - Visual inspection prone to subjectivity and error
 - Limited traceability of testing results
 - Lack of conformance to test methods
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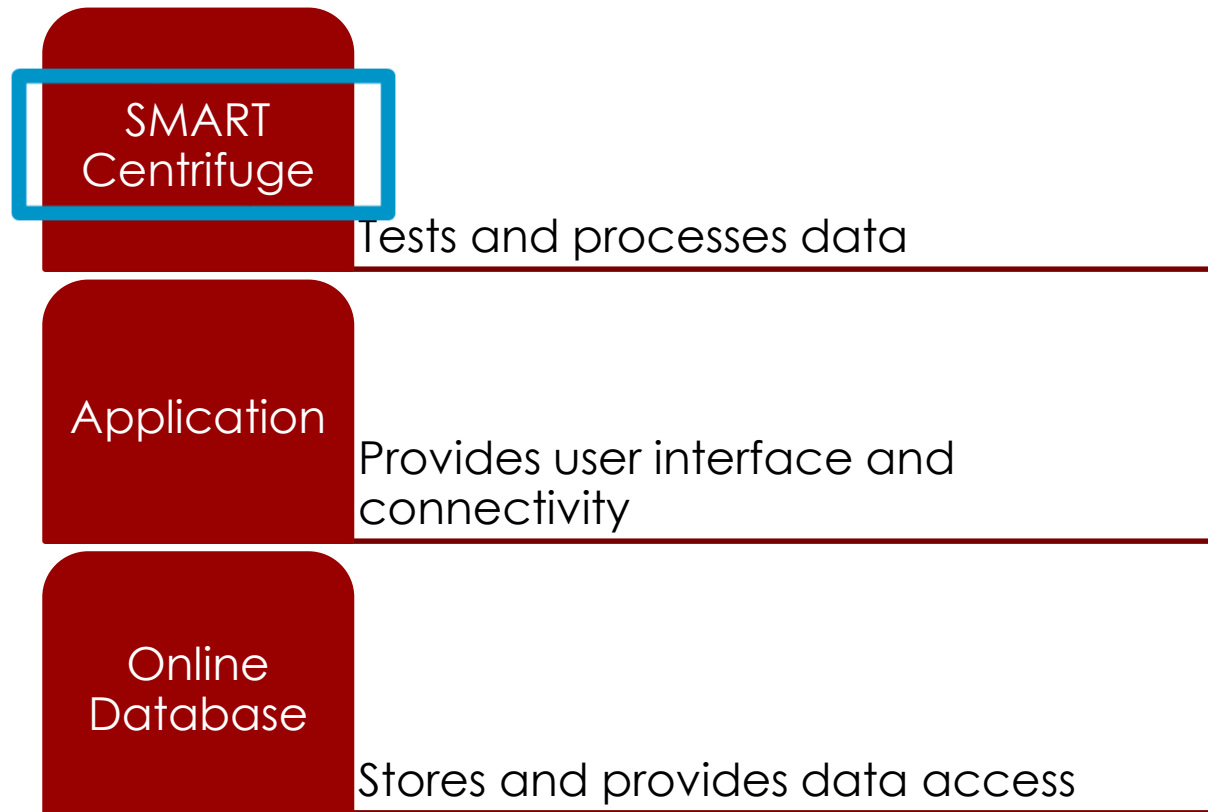
What Must Be True?

- Business Case
 - Material consequence to inaccurate readings
 - Cost of solution must less than cost of issue
- Field Acceptance
 - Easily deployable
 - Must not impede efficiency
- Improve Outcomes
 - Testing traceability
 - Data analysis
 - Reduction in human error





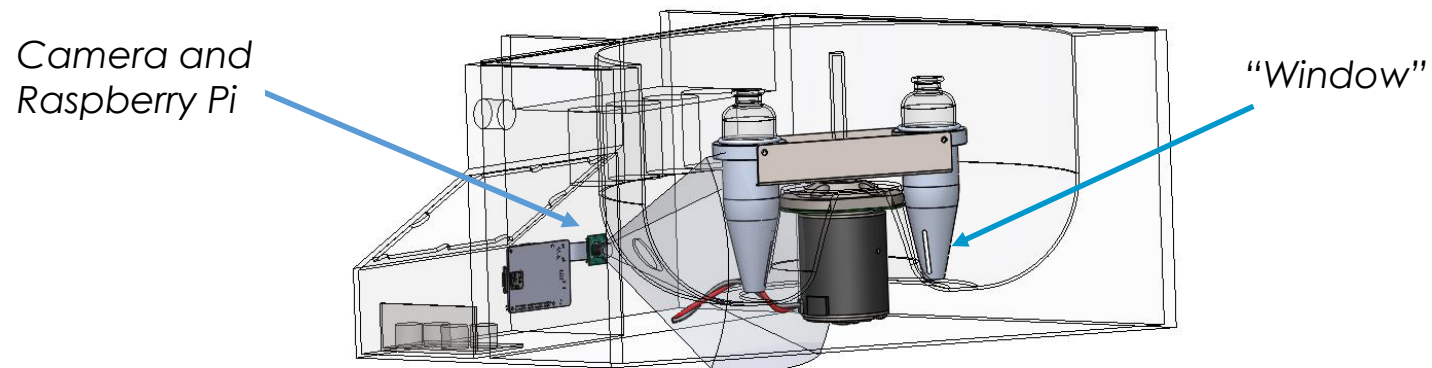
A New Approach





The SMART Centrifuge

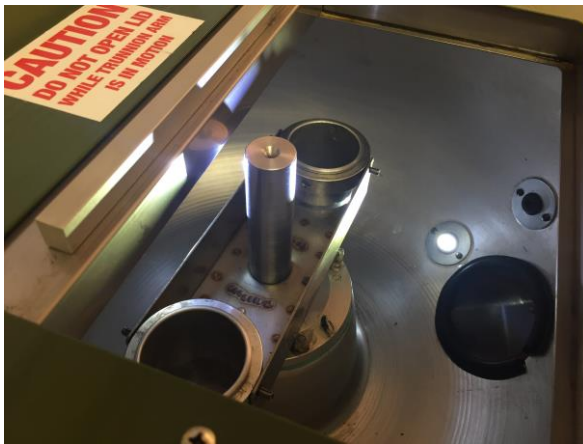
- Utilize a camera and processor to read BS&W from field samples
- Transmit data from the unit to the app
- Confirm tests are being run onsite and in accordance with API standards



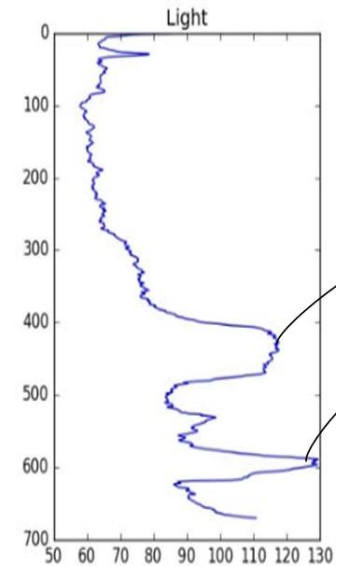
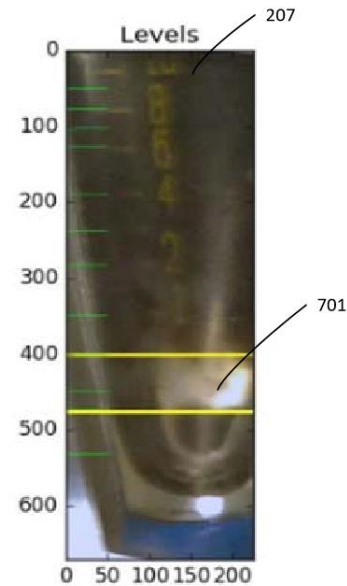
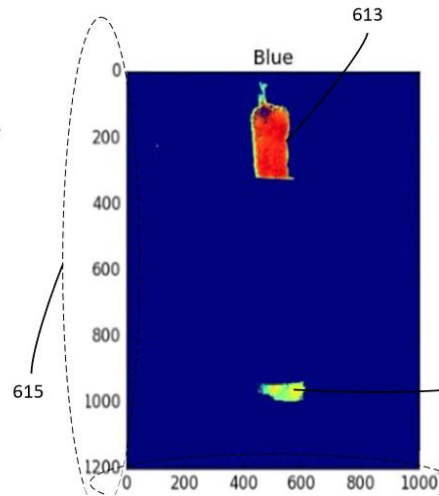
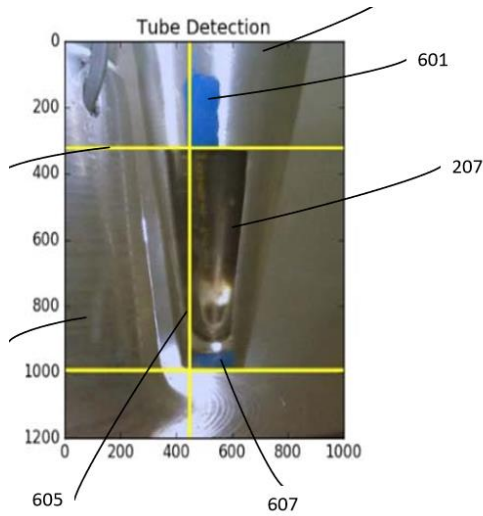
Patent Pending



Hardware



Detection Process





The System

SMART
Centrifuge

Tests and processes data

Application

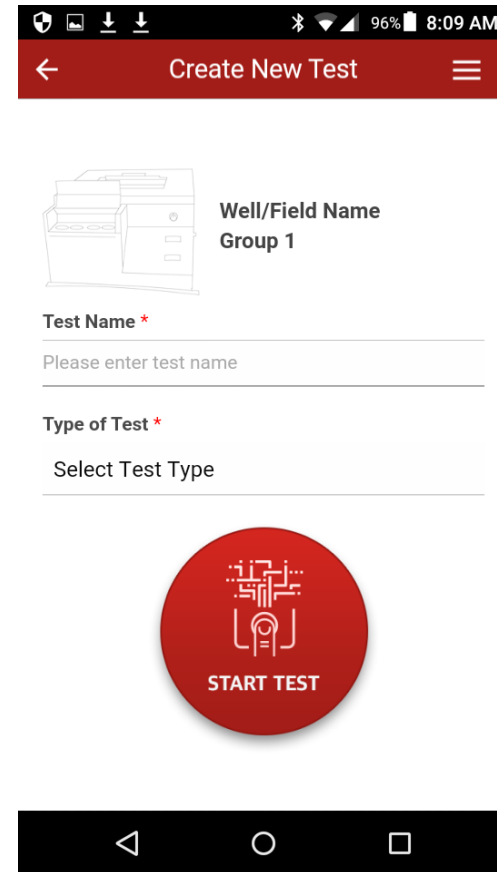
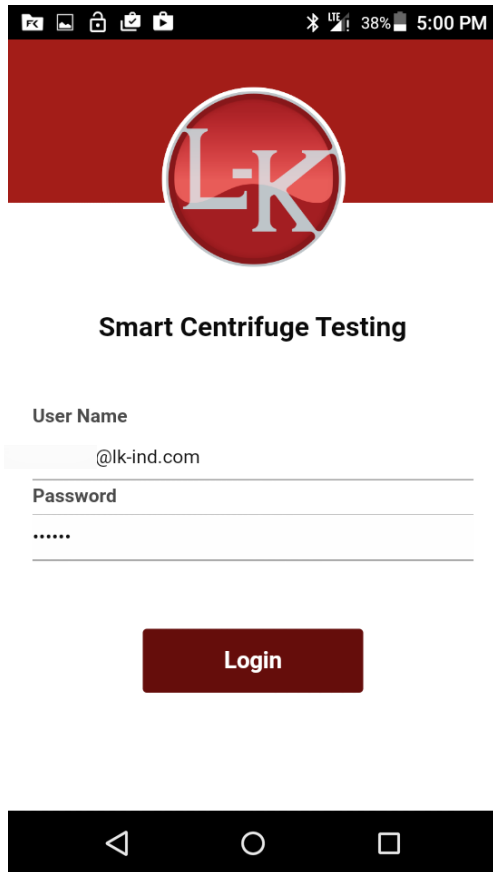
Provides user interface and
connectivity

Online
Database

Stores and provides data access



The App





Begin Testing



Centrifuge is Warming Up

9 mins, 27 secs.

120 F

1,769.47 RPM

691.08 RCF



SMART Centrifuge is confirming proper testing conditions



Test in Progress

0 mins, 25 secs.

139 F

1,884.00 RPM

783.44 RCF

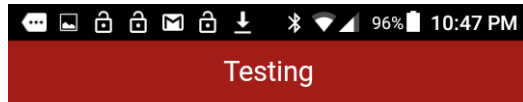
Stop Testing



Test is running in accordance with selected test method



View Results










**Test Completed.
Waiting for Result.**

Stop Testing



Results

First Test: #4563

 Location	
Latitude	Longitude
40.058	-74.456
 Date & Time	 Test Duration
01 / 18 / 2016 14:00 PM	15 Mins 30 Seconds
 Temperature	 Centrifuge Speed
25 °F	250 RPM
 Water Content	 Sediment Content
0.26 %	0.13 %

Notes

Notes to be entered by User

Accept Result **Re-Do this Test**



The System

SMART
Centrifuge

Tests and processes data

Application

Provides user interface and
connectivity

Online
Database

Stores and provides data access



Online Database



Reports

Test Sets

Export All

Export Visible/Filtered

Export Selected

<input checked="" type="checkbox"/>	Well/Field Name <input type="text"/>	Well/Field Date <input type="text"/>	User Email <input type="text"/>	View Test Details
<input checked="" type="checkbox"/>	Lk	2016-08-01 22:08:08	@lk-ind.com	View Tests

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Test sets are presented in a summary view with the ability to export raw data



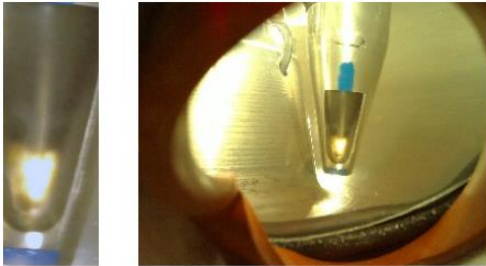
Online Database

Test Name : Test 3

Date & Time : 8/10/2016, 10:33:24 AM	Test Duration 5 Mins 35 Seconds	Notes :	Speed : 2,338.00 RPM	Temperature : 138.00 °F	Water Content : 0.78	Sed. Content : 0.04	Latitude : 29.6955027	Longitude : -95.3049004
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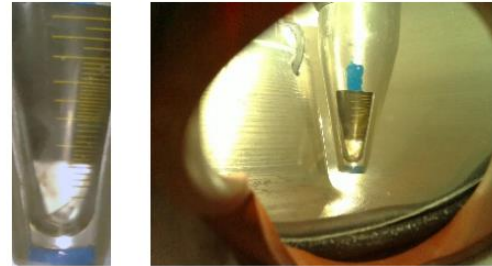
Tube 1

Water Content: 0.94 Sed. Content: 0.07



Tube 2

Water Content: 0.62 Sed. Content: 0.01



Select Type





Field Testing Overview

- Basics
 - Testing with 2 partnering companies in Southern US
 - Conducted 6 week trial beginning August 08, 2016
 - Established weekly check-ins with drivers and management
 - Monitored field testing live via website throughout testing period
 - Drivers recorded “traditional” readings during test to help validate accuracy.

 - Goals
 - Proof of concept – demonstrate the idea
 - Test Design – field ruggedness and user acceptance
 - Accuracy – “smart readings” vs manual readings
 - Limitations – learn what needs improvement in next phase
 - Verification – confirm industry demand
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Key Takeaways

- Areas for improvement
 - Crude Oil Type
 - Water levels difficult to detect in light crudes
 - Difficulty with “cloudy” samples
 - Convention vs Stated Method
 - Further investigation on which methods are preferred
 - Analyze if various/customized methods should be added
 - Equipment Limitations
 - Cushion staining → improper lighting
 - Positioning/process time → need to improve efficiency
 - Images → must ensure proper quality and clarity



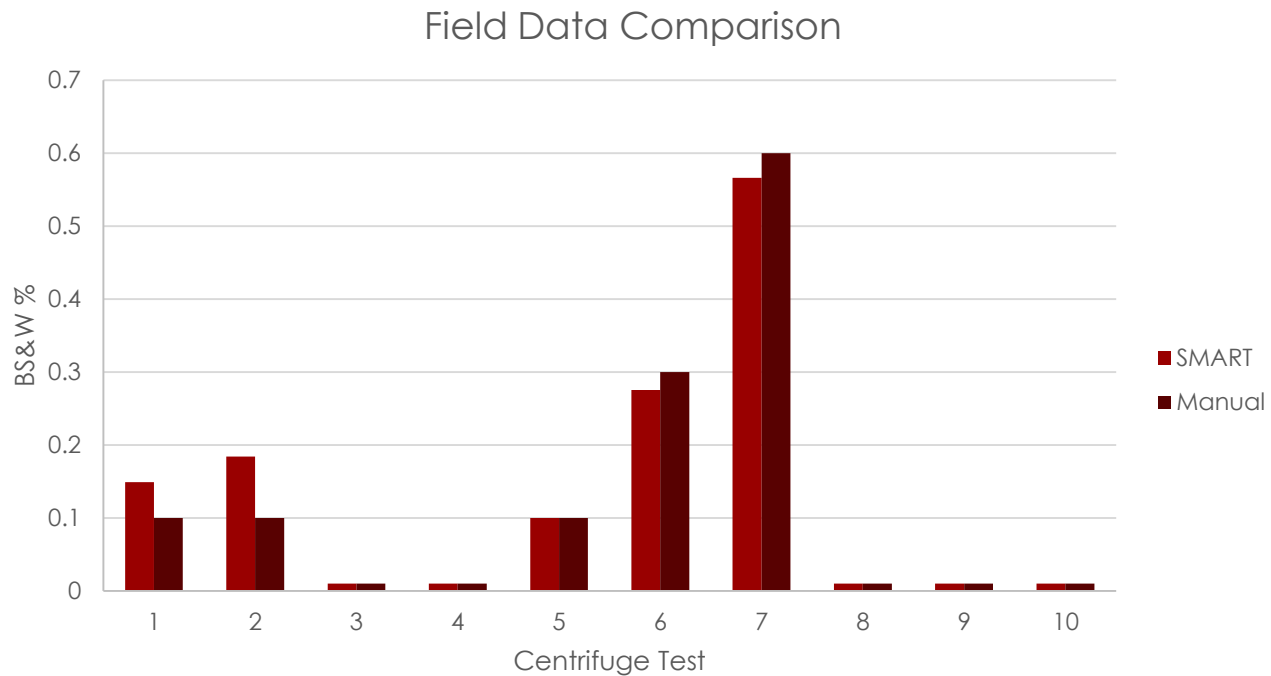


Key Takeaways

- What worked well?
 - User Interface – intuitive and well designed
 - Online Database - access is highly valued
 - Images, location, uniformity
 - Network Communication – worked as intended
 - Ruggedness – minimal failure
 - Kill Switch – valuable in the field



Field Test Results



With correct crude type, results were reasonably accurate.



Moving Forward

- Focus Points
 - Evolve software for a broader range of crude types
 - lighting, shields, tubes...
 - Customize/Automated Verification
 - Correlate GPS coordinate to field/well name
 - Bridge software to connect with customer's ticketing system
 - Ensure database images are extremely high quality
 - Continue evaluating ruggedness - weather proofing, water hazards, etc
 - Investigate market interest in "manual" mode
 - Update temperature measurement (add density?)
 - Commercialization in 2017
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Thank you!

- A SPECIAL THANKS to our Testing Partners and COQA!
 - LK Ind: Eric Calderon, Dwan Thomas, Frank Ragan
 - Engineering Support: ErdosMiller
 - Application Support: Saviance

 - Questions?
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