Crude Oil Quality Association (COQA)

Dennis L. Sutton

March 3, 2016
COQA’s Mission

- Ensure quality and consistency of crude oil are maintained from production to refinery
- Expand definition of quality beyond API gravity and sulfur
- Oppose indiscriminate alteration in quality, e.g. blending
- Promote communication between all sectors of industry
Welcome to the Crude Oil Quality Association!

The Crude Oil Quality Association (COQA) is dedicated to the belief that maintaining the integrity and consistency of the refining characteristics of crude oil streams is of importance to all parties involved in crude oil activity, from production locations to the refinery.

To this end, we hold three meetings annually. These meetings are open to the public and we welcome your attendance and involvement.

Upcoming COQA Events

**Joint CCQTA-COQA Meeting in Edmonton, June 7-10, 2016**

Dates: 07 – 10 Jun, 2016

Please note the following changes to the registration process:
Meetings Policy

- Open forum for discussion of technical issues related to production, handling, transportation, and refining
- No restrictions on attendance or participation
- Consideration given to views of all
- Adhere to a strict anti-trust policy, and not discuss:
  - Price, pricing policy, cost, or discounts
  - Sales & production quotas, territories, allocations, shares
  - Endorsement or disparagement of products or services
  - Liabilities, warranties, guarantees, conditions of sale
  - Coercive practices or control of competition
Financial Support

- As a not for profit organization, we rely on the generous support of our corporate members.

- Our support is through
  - Annual memberships
    - About 2/3s of 2016 memberships have been paid!
  - Event sponsors at our meetings
  - Individual Meeting Attendance fees
    - We appreciate those who use the new on-line registration.
Our 2016 Corporate Sponsors

Amspec
BP
Chevron ETC
CHS
CVR Energy
ConocoPhillips
ExxonMobil Upstream
NGL Crude Terminals
HollyFrontier
Intertek
KBC

LOOP
Marathon Petroleum
Marathon Pipeline
PBF Energy
Phillips 66
SGS
Shell Pipeline
Suncor Energy
Sunoco Logistics
Valero
Our 2016 Corporate Supporters

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Cameron
Dorf Ketal
Haverly Systems
Hydrocarbon Publishing
Infineum
Inspectorate
Maxxam Analytics

Merichem
North Dakota Pet. Council
Nalco Champion
Plains Marketing
Schneider Electric
US Dept. of Energy
Western Refining
Welcome to Our Two Newest Corporate Supporters

Dorf Ketal - a global specialty chemicals manufacturer and services provider offering customers innovative chemical solutions and quick, decisive response.
Welcome to Our Two Newest Corporate Supporters

- Infineum - a joint venture of ExxonMobil and Shell, they are a world leader in the formulation, manufacturing and marketing of petroleum additives.

https://vimeopro.com/carbonprod/trends-2016-dennis-sutton
password: carbon
Our Event Sponsors at this Meeting - Inspectorate and Intertek
Welcome to the San Antonio and the Historic Menger Hotel
Upcoming Meetings

- June 7-10 Joint COQA/CCQTA meeting in Edmonton
  - Tuesday, June 7- Optional Opportunities
  - Wed. and Thurs. June 8 & 9- General Meetings
  - Friday, June 10- Subcommittee & Board Meetings – concluding by Noon

- October 12 & 13 Westin Oaks- Houston
  - Limited travel budget?- Come for both the Opportunity Crudes Conference and COQA
Today’s Meeting

- So, where are we today?

<table>
<thead>
<tr>
<th></th>
<th>Mid June 2014</th>
<th>February 2016</th>
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</thead>
<tbody>
<tr>
<td>WTI price, $/bbl</td>
<td>$107.26</td>
<td>$29.39</td>
</tr>
<tr>
<td>US Crude production, MilBpd</td>
<td>8.4</td>
<td>9.2</td>
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<tr>
<td>Total US Crude Inventory, bbl</td>
<td>388 million</td>
<td>502 million</td>
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- Despite falling prices, we still have slightly growing production, increased inventory, and many crude quality challenges.

- Today’s agenda will highlight some of these current issues and concerns, with emphasis on the mid-Continent and Texas.
By Way of Announcement

- A reminder- the COQA now has an Executive Assistant- Crude Quality Inc. (George & Bill Lywood) They are responsible for coordination of meetings, web site maintenance, sponsorships, etc.
  - If in doubt, copy us both. 😊

- First time attendees?

- For lunch today, you are free to pick from the many nearby choices.
Questions?