



## Cleaning up the oil patch, literally

*By Dave Porter*

July 30, 2008 - (AXcess News) Reno - Oil and gas wells have one thing in common; production water, which up until now has been a costly environmental problem. But a breakthrough technology developed by Wescorp Energy, Inc. (OTCBB: WSCE) is proving to be beneficial in a big way.

In a July 2, 2008 article in E&P Magazine, Wescorp Energy President Doug Biles explained that, "The technology uses aeration inside a tank configuration where micron-sized gas bubbles are created using either natural gas or nitrogen, depending on the application. These bubbles, which are several degrees of magnitude smaller than those used in conventional aeration technology, supersaturate the produced water.

"As the water is cleaned of hydrocarbons, heavy solids fall out. Meanwhile, lighter suspended solids rise and are encapsulated in the recovered oil. The oil and a slight amount of water are then separated as they flow through the remainder of the system, achieving total separation."

Biles company just announced its first commercial order for its water remediation equipment that encompasses leasing 256 units to a Texas-based oil company which, according to figures outlined in that news, is worth at least \$82,500,000 to Wescorp over the next five years as the company's water remediation units are put into service. The contract calls for both equipment and trained technicians to operate them.

A company spokesperson told AXcess News in a telephone interview Tuesday that Wescorp Energy would not release the name of the buyer, though an 80+ million dollar contract says its no small player in the oil and gas production industry.

Wescorp Energy had a working plant installed outside Drayton Valley Alberta in partnership with an oil producer which demonstrated Wescorp Energy's production water remediation capabilities. Wescorp's technology consistently reduced the oil content in production water at the oil battery to fewer than 0.005% or 50 parts per million.

Those impressive results from Wescorp Energy's demonstration plant were all the Texas Oil Company needed to see before a deal was cut.

While Wescorp is a small business, filling such a huge order could prove to be problem, except the buyer has agreed to prepay the first year's lease payment on the first unit delivered and potentially, future funding could be achieved through debt financing. An oil patch equipment finance specialist in Dallas told AXcess News, "Debt financing is a more viable prospect for equipment suppliers to the oil and gas production sector anytime there are terms lenders see as being able to service the debt stream." The Wescorp spokesman said the company recoups its cost on the water remediation equipment within the first year of the lease term.