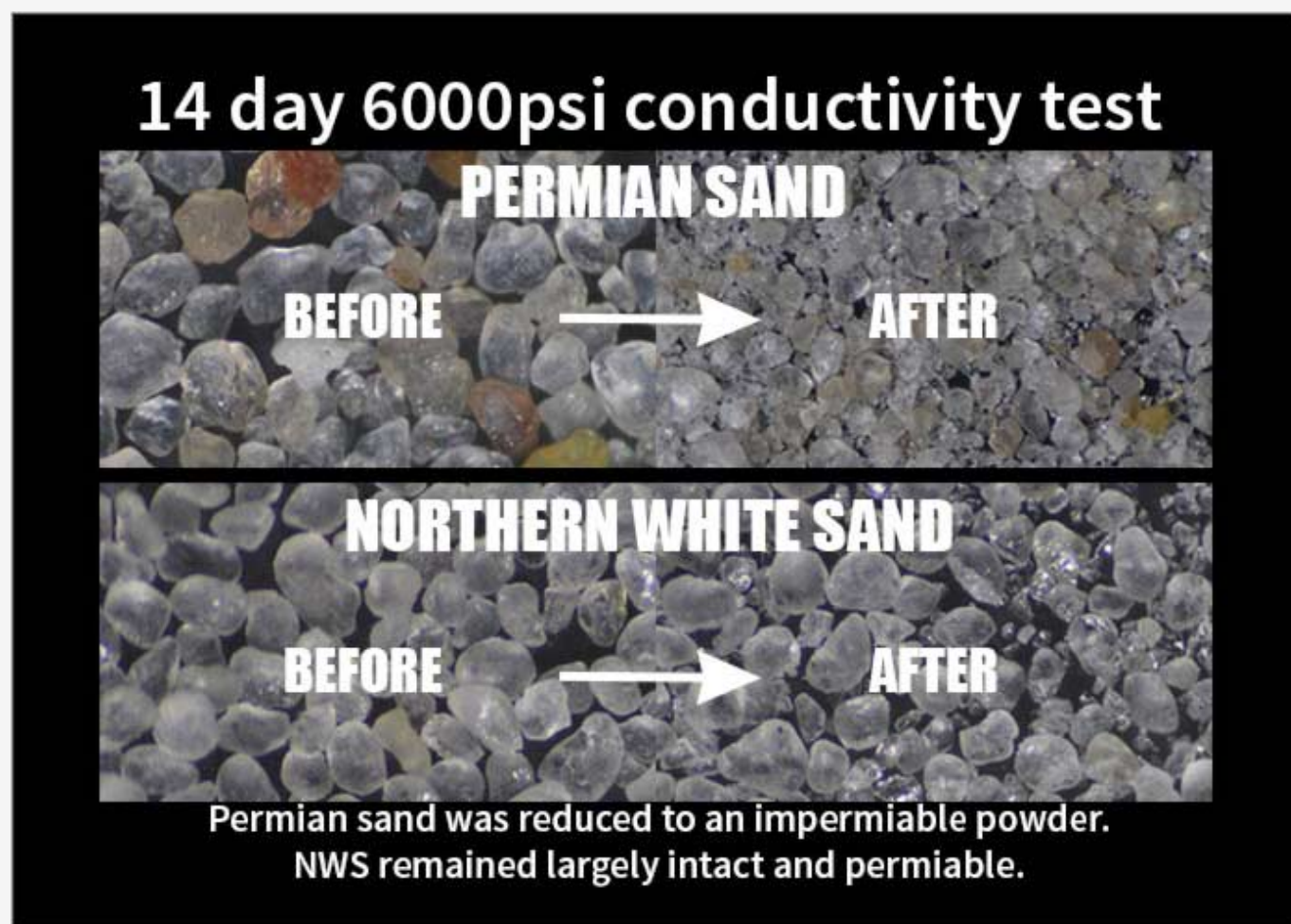


Northern White Sand Consortium: Rystad Energy Study Links Sand Proppant Type to Decreased Oil and Gas Production and Profitability

HOUSTON, Texas, June 30, 2020 (SEND2PRESS NEWSWIRE) – The Northern White Sand Consortium (NWSC), a subgroup of industry participants, formed under the Wisconsin Industrial Sand Association, announced today that a report by Rystad Energy examining 800 Shale Oil wells completed using in-basin sand, across 7 operators in the Permian basin, indicates close to 50% have seen a negative economic impact compared to wells completed using Northern White Sand (NWS).



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Up to 85% are nearing negative impact in less than 1 year of production. Upfront savings doesn't appear to offset the impact in just the first year of the well's life.

The impact is not limited to investors, continued short-term economic thinking will affect long-term energy independence, American jobs, and billions of dollars for investors & mineral rights holders.

Accelerating decline rates in shale wells have drawn attention. Many theories have been posed such as well spacing, reservoir pressure drawdowns etc., but one clear potential cause has been virtually ignored since the hydraulic fracturing revolution began, Proppant Type.

Over the past several years, industry observers have recognized well production decline rates are accelerating at a higher rate than ever. The quickening decline rates have occurred simultaneously with the migration away from higher quality proppants. (A Proppant is a granular solid material, typically sand, intended to keep well fractures open.)

The incentive for the switch is understandable since proppant sand cost usually makes up 10% of the completion costs of a horizontal well. High quality Northern White Sand (NWS) is often railed or barged to the play. By avoiding these shipping costs, operators can save \$300-\$500k per well initially, (around 3-5% inclusive of drilling costs).

According to findings in the Rystad Energy study, what looked like a good business decision may have ended up causing significant negative impact on outcomes, should well productivity rates continue to rapidly decline. NWSC believes this indicates that the fundamental impact that proppants have on hydrocarbon flow and production are the single most significant factor.

Additional information: <https://wisconsinsand.org/>

Article and Rystad Energy report here:

<https://nwsinfo.s3-us-west-2.amazonaws.com/A+Return+to+Quality.pdf>

*IMAGE link for media:

<https://www.Send2Press.com/300dpi/20-0629s2p-nwsc-permian-300dpi.jpg>

*Image Caption: Permian vs NWS Before and after test.