Case study: Central United States

ESP and HPump systems save customer $5.2 million USD in first year

A customer in the central US expressed interest in entering an exclusive provider agreement with Baker Hughes with the goal of improving disposal practices and electrical submersible pumping (ESP) system run life. The operator was using more than 200 Baker Hughes ESP systems and more than 20 **HPump™ horizontal surface pumping systems**.

Baker Hughes provided the most advanced ESP technology for downhole production along with surface disposal processes and equipment. By replacing triplex units and competitor horizontal pumps, Baker Hughes also anticipated reliability improvements in the operator's disposal practices.

Baker Hughes included its advanced ESP technology and HPump systems as part of an exclusive provider agreement.

The customer awarded Baker Hughes a three-year contract during which it agreed to use only Baker Hughes equipment. The customer's decision was based on product quality, level of service, and Baker Huhes' willingness to provide dedicated resources.

The exclusive provider agreement saved more than $1 million USD in the first year in field service costs alone, a direct result of discount pricing and the use of dedicated field service labor. Baker Hughes also provided customized training, a master well database, biannual service reviews, and a dedicated account manager to increase value, operational quality, and consistency.

By reducing equipment pulls and downtime, this Baker Hughes solution saved the operator a total of $5.2 million USD in the first year ($2.6 million USD in workover costs, and $1.6 million USD in deferred oil production).

Challenges

- Increase run life in more than 400 ESP systems and 22 surface pumping systems
- Consolidate purchasing so customer could consolidate vendors/increase savings through standardized equipment

Results

- Maximized production and increased run time through rod replacements and triplex conversions
- Saved $5.2 million USD in the first year
- Improved run life of more than 400 ESP systems and 22 surface pump systems
- Increased reliability in disposal operations
- Saved time and additional costs with a centrally located manufacturing facility