



Company Overview

for

State of New Mexico

Water and Natural Resources Committee

8/8/2023

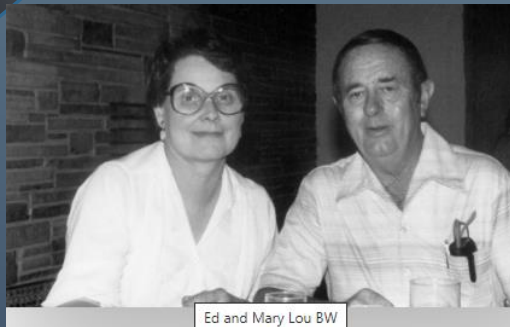
Farmington, NM
www.pescoinc.biz



About us

Founded in 1970

*By Ed and Mary Lou Rhodes
Sons, Kyle and Jim Rhodes, run the company
today*



Ed and Mary Lou BW





Process Equipment

Separators

Treaters

Dehydrators

LACT Units

Blow Cases

Combustors

Indirect Heaters

Sand Separators

Specialty

Equipment

Separators and
Treaters



Production Units



LACT Units and Metering Skids



In-House Engineering & Design

Mechanical, Chemical, Civil, and Electrical Engineers

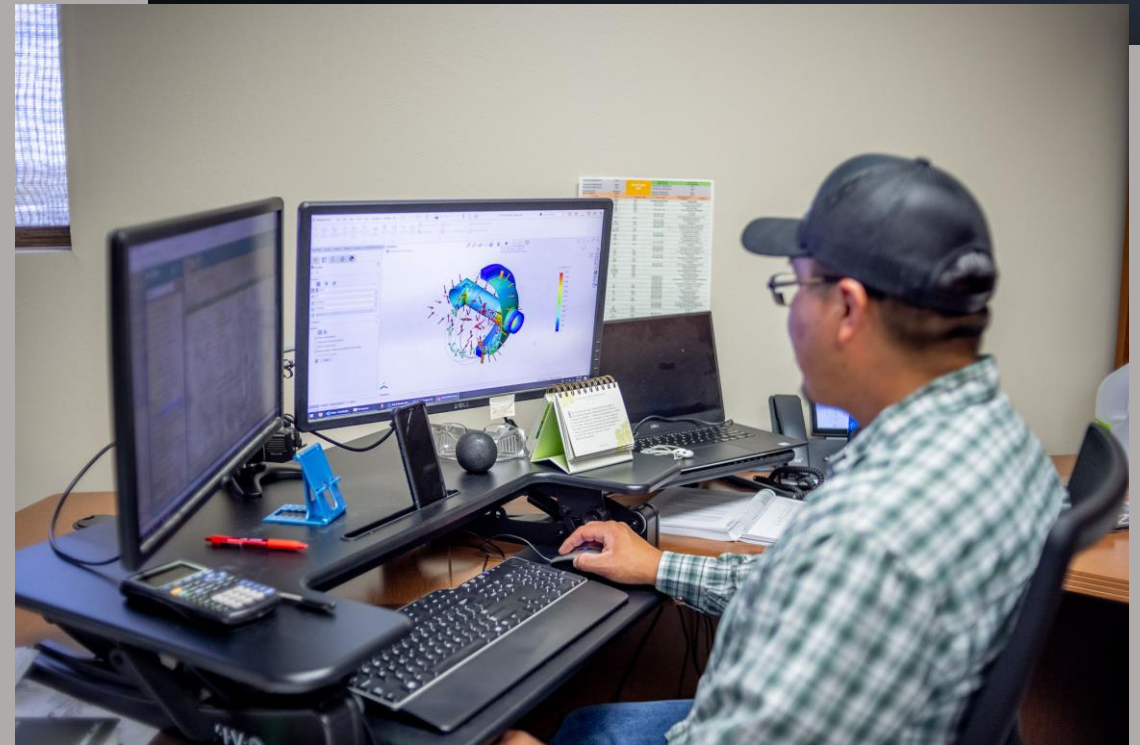
Implement your designs

or

Design your Unit from the Ground Up



SUPERIOR ENGINEERING • CUSTOM SOLUTIONS



Startup

Get your new unit up and running

PM's & Relief Valve Testing

Troubleshooting and

Optimization

Unit Cleanouts

Emission reduction retrofit

Certified ASME VR Testing

Repair

In-field National Board R Stamp

Vessel Repair



Field Services

- Coverage in:
 - New Mexico
 - Colorado
 - Wyoming
 - West Texas

Typical Permian Multi-well Pad



Facility – Farmington, New Mexico

160,000 sq ft of Manufacturing and Office Space





ASME Sec. VIII., Div. 1
"U" metallic



NBIC Repairs &
Alterations "Shop &
Field" locations

Recognized Leader in Quality and Performance

ConocoPhillips



2018 Supplier Recognition Award

Focus on Execution: Process Equipment & Service Company, Inc. (PESCO)

<http://www.conocophillips.com/news-media/story/conocophillips-announces-winners-of-2018-supplier-recognition-award-program/>

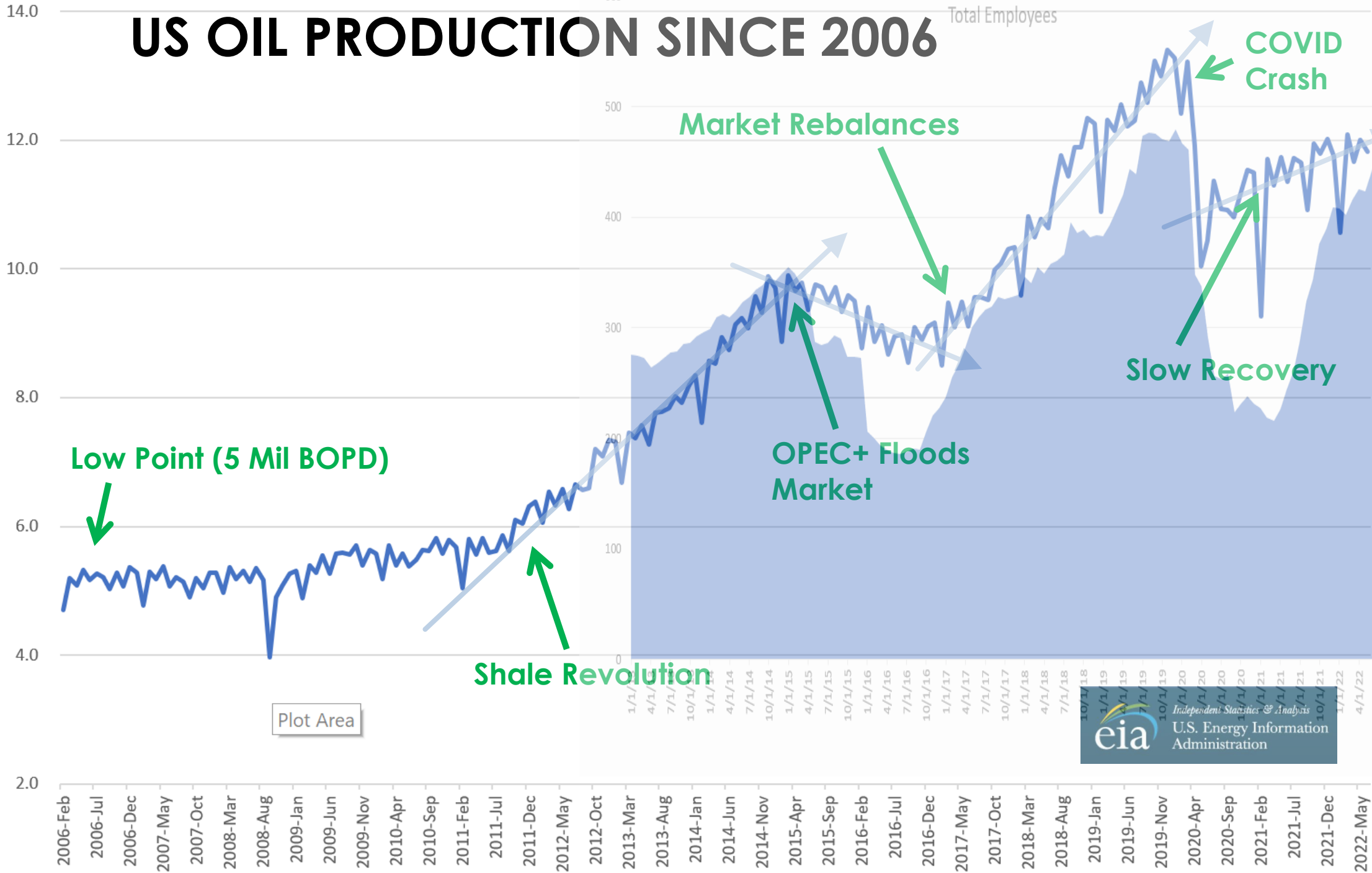
“**PESCO** was instrumental in supporting the Gulf Coast Business Unit’s Eagle Ford development through its transition of skidded equipment by incorporating lean internal processes to allow flexible utilization of surplus equipment, reducing lead-time and cost. PESCO fabricated a significant quantity of skidded production equipment with excellent quality on schedule even when adding unanticipated quantities.”

OUTSTANDING WORKFORCE



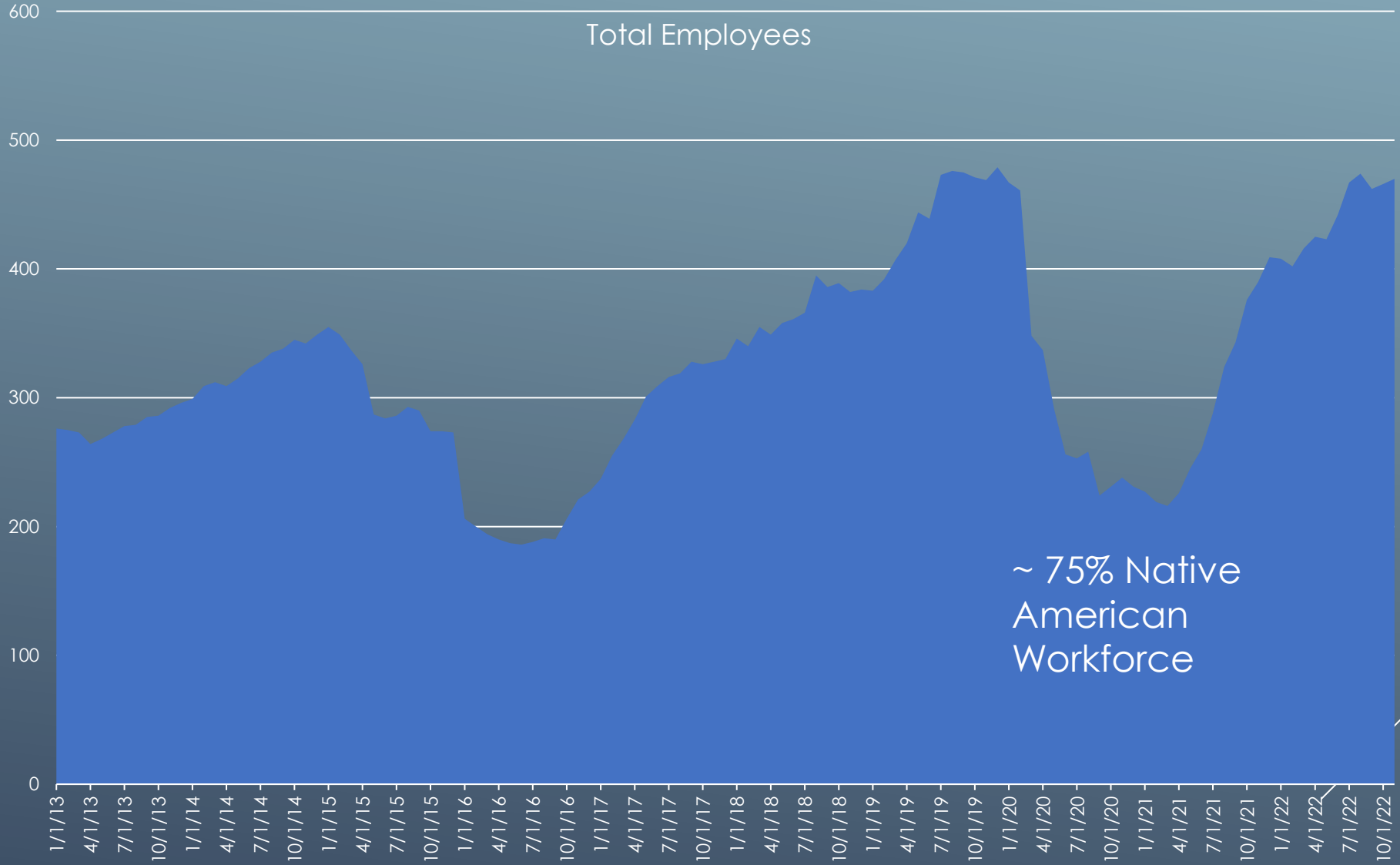
- ▶ Welding
- ▶ Metal bending
- ▶ Automation / Electrical / Instrumentation
- ▶ Engineering / Design
- ▶ Administration
- ▶ Safety
- ▶ Information Technology

US OIL PRODUCTION SINCE 2006



Plot Area

PESCO Employment



EXPANSION INTO NEW MARKETS

▶ **CORE COMPETENCY IS MAKING PROCESS EQUIPMENT**

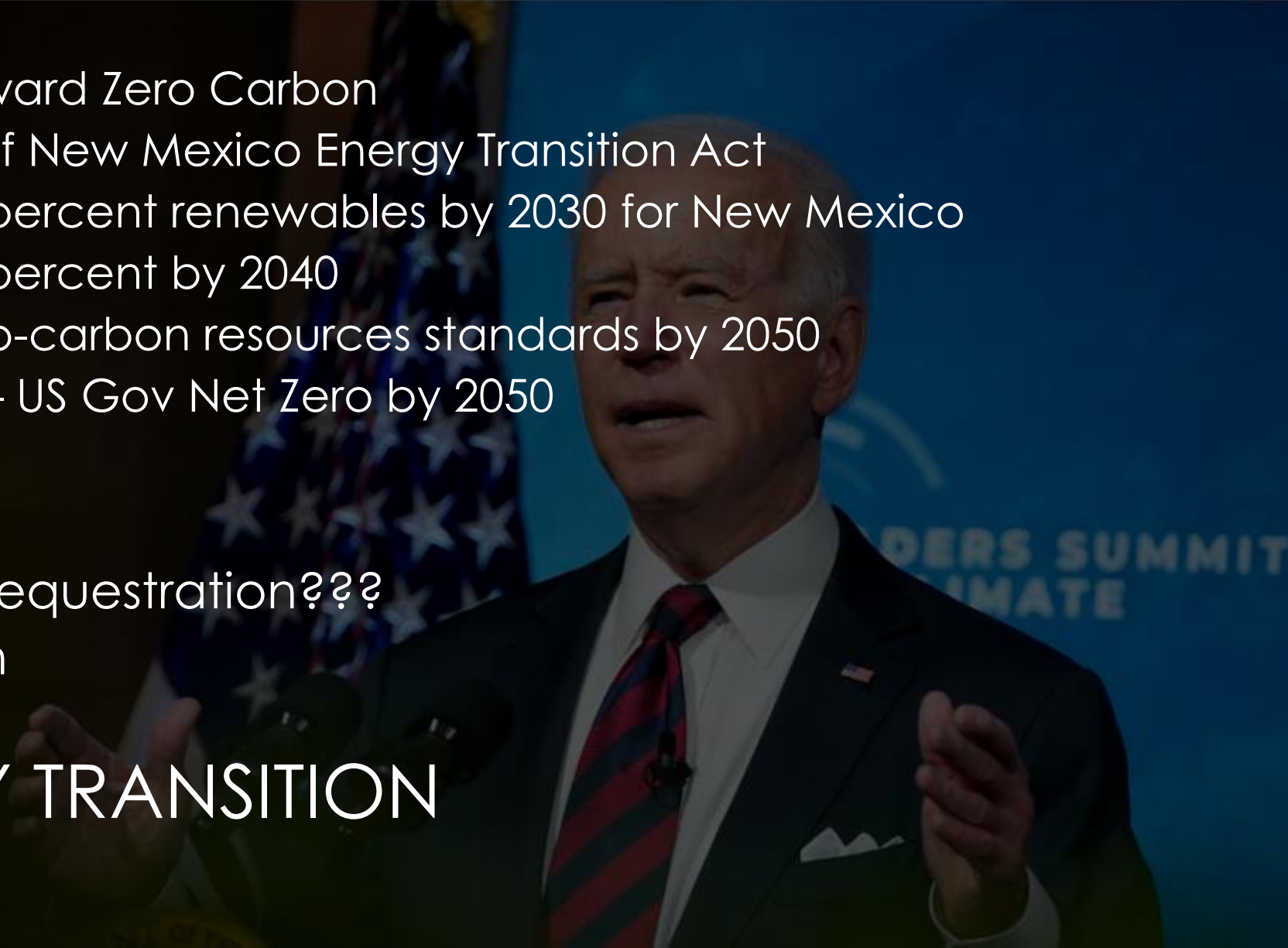
- ▶ Welding
- ▶ Metal forming
- ▶ Automation / Electrical / Instrumentation
- ▶ Engineering / Design

United States will halve carbon emissions over next decade, says Biden

By Noelani Kirschner - Apr 23, 2021

- ▶ March Toward Zero Carbon
 - ▶ State of New Mexico Energy Transition Act
 - ▶ 50 percent renewables by 2030 for New Mexico
 - ▶ 80 percent by 2040
 - ▶ Zero-carbon resources standards by 2050
 - ▶ Biden – US Gov Net Zero by 2050
- ▶ Wind
- ▶ Solar
- ▶ Carbon Sequestration???
- ▶ Hydrogen

ENERGY TRANSITION



POTENTIAL HYDROGEN PROJECTS

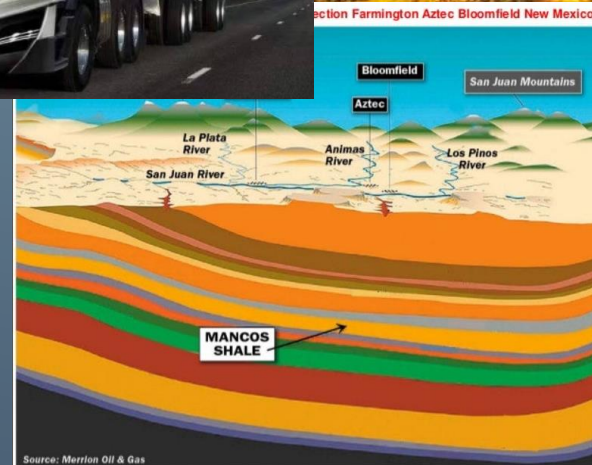
- ▶ **Hydrogen Fueled Electrical Generation**

- ▶ **Fuel Cell Power**

- ▶ Industrial Equipment
- ▶ Truck Transport

- ▶ **Combine with CCUS**

- ▶ San Juan Basin reservoirs



Car and Driver

BMW i Hydrogen Next Fuel-Cell Concept ...

HYDROGEN

BAYOTECH “H2-1000” UNITS



- ▶ **1,000 KG (1 Ton) Per Day H2**
- ▶ **Modular Design – Place at Point of Need**
- ▶ **Feedstock Flexible**
 - ▶ Natural Gas
 - ▶ Biogas



HYDROGEN BAYOTECH “H2-1000” UNITS



► Unit #1

- 20 Jobs now, more to come



HYDROGEN BAYOTECH "H2-1000" UNITS



- ▶ **Unit #1 Delivered**
- ▶ Saint Louis, MO

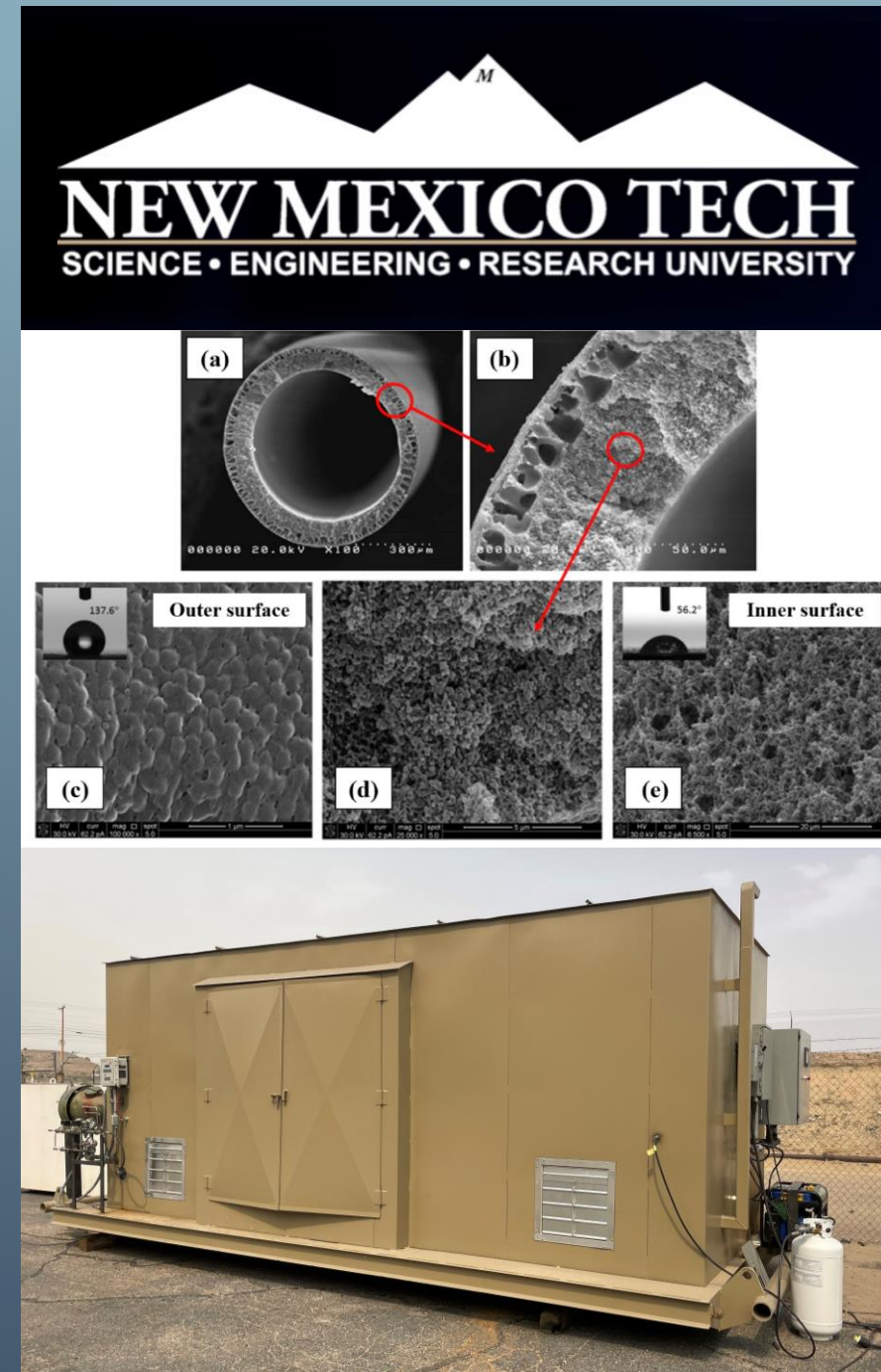
NEW MEXICO'S WATER CHALLENGE

- ▶ In a Period of Extended Drought
- ▶ Owe Texas Water
 - ▶ Texas Suing NM for not flowing enough water from Pecos and Rio Grand Rivers
- ▶ Millions of Barrels per day being produced from oil wells in the state
 - ▶ mostly Southeastern New Mexico
- ▶ Most all of this is disposed into deep wells
- ▶ Seismic events in Texas due to water injection



WATER FILTRATION TECHNOLOGY

- ▶ Joint Development
 - ▶ Initial Capacities of 5,000 Gallons per Day
 - ▶ Concentrates contaminants to minimize disposal volume
 - ▶ Handles high salt concentration and other contaminants
 - ▶ Test Unit going out in a few weeks
- ▶ Clean up Oilfield Water
- ▶ Non-Drinking Water sources for H₂ Production



N⁴WPP

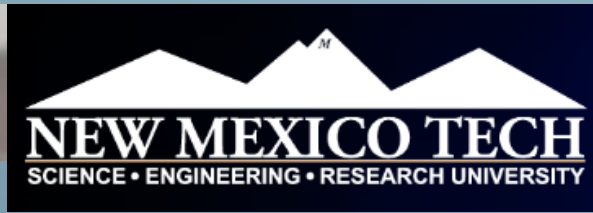
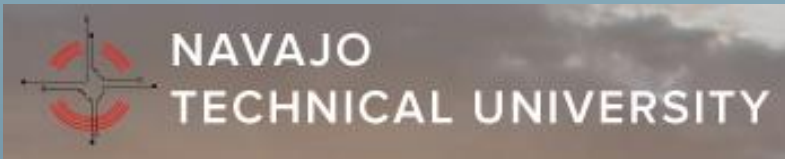


Navajo Nation Water Purification Project

The [Navajo Technical University-New Mexico Tech Navajo Nation Water Purification Project \(N⁴WPP\)](#) is a joint endeavor to install water filtration equipment testing facilities on the Navajo Nation. These sites will be used to train students to test water quality and maintain filtration units to provide sustainable long-term water resources suitable for agriculture and livestock use, cleaning, and eventually clean drinking water.

N⁴WPP

- * NAVAJO NATION
- * NEW MEXICO TECH
- * NAVAJO TECHNICAL UNIVERSITY

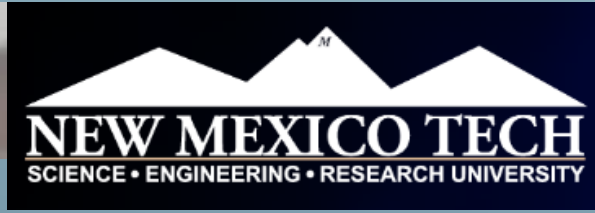
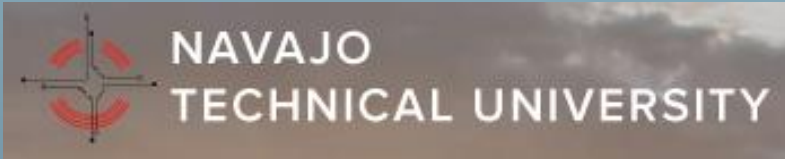


N⁴WPP

Mission

The mission of the N⁴WPP is to implement cutting-edge water filtration technology to **provide usable water to the Navajo Nation**. This project will also:

1. Create **economic opportunities** related to commercializing patented filtration technologies;
2. Provide **sustainable jobs** in New Mexico and across the Navajo Nation;
3. Promote a **strong relationship between NTU and NMT**; and
4. Most importantly, **help communities have access to clean water**.



N⁴WPP

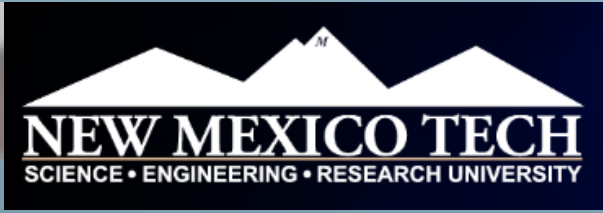
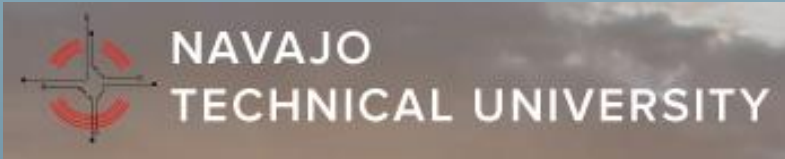
Project Stages

STAGE 1: Identify potential sites, sample and characterize water resources. Students to be trained in and perform sampling and analysis.

STAGE 2: Test water filtration technologies. Students involved in site setup, operation and maintenance.

STAGE 3: Expand program to more sites across the Navajo Nation as appropriate water sources are identified and funding is appropriated.

[Navajo Nation Water Purification Project: New Mexico Tech \(nmt.edu\)](http://nmt.edu)



N⁴WPP



Navajo Nation Water Purification Project: New Mexico Tech (nmt.edu)



Workforce Challenges

- **Struggle to add craftsmen**
 - **Welders and Pipefitters**
 - **Instrumentation/Electrical**
- **Turnover for new folks is very high**

Welders and Pipefitters



Electricians and Instrumentation Techs



Office Professionals



Job training and placement

- **Middle and High School Program**
 - Career Pathway Programs
- **Post-Highschool Institutions**
 - Internships
 - “Bootcamps”
 - Summer jobs
- **San Juan College**
 - Welding Program
 - School of Energy

Welders and Pipefitters



Electricians and Instrumentation Techs



Office Professionals





We Appreciate State Assistance Programs

- **LEDA (Local Economic Development Act)**
 - Economic Development Department
- **JTIP (Job Training Incentive Program)**
 - Economic Development Department
- **Boot Camp Job Training Assistance**
 - Department of Workforce Solutions



- **Integrity**
 - Keep our word; honesty; do the right thing
- **Mutual Respect and Trust**
 - The Golden Rule
- **Commitment to Excellence**
 - Strive for superior quality and performance

We seek to equip people to have a positive impact on:

Themselves

The Company and Workplace

Their Families

Our Communities

QUESTIONS?

