

THE OIL & GAS MAGAZINE

CANADA'S leading petroleum magazine

DECEMBER/JANUARY 2007 VOL. 15, #6 \$6.95

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Managing fuel is big business

Since 2002, world-wide oil prices have risen more than 250 per cent. While record profits are being enjoyed because of high oil prices, the cost of fuelling day to day oil patch operations has escalated. The cost of labour, the price of fuel, and managing logistics of fuel delivery has necessitated the need for companies to create the position of fuel manager.

Companies have a number of options for keeping their equipment fuelled and moving. Card-locks, in ground tanks or using company owned tanker trucks can do the job. All of these come with added costs, wasted time, risk to the environment, and logistical problems.

"You can always get fuel, but the goal is to get the fuel you need, where you need it, economically," says Russ Pierce,

operations and facility coordinator for Aecon Industrial of Edmonton, Alberta.

Kevin McKinnon, senior purchasing manager with Lockerbie & Hole of Sherwood Park, Alberta, says "Managing fuel is a very important part of our productivity. We have 12 cranes operating right now, and have had as many as 20. We have dealt with the large bulk fuel suppliers and refuelled from our own storage tanks. That was before we had more pieces of operating equipment. It was easier to manage, but now we are doing ten times the volume."

Bill Vriens is the general manager for Groundwater Control Systems in Edmonton and Fort McMurray, Alberta. He will manage up to 40 people and 80 pieces of equipment. "Our number one priority is to ensure our client's needs are satisfied

without problems or failures. Having the fuel we need, when we need it ensures we can get the job done right," he explains.

Fuel Management is a relatively new concept, but one that has provided a niche in the oil and gas sector for 4Refuel Canada Inc. Company president Jack Lee says his company serves in excess of 6,000 clients from coast to coast.

The company identifies itself as the leader in fuel management, and its service offerings include on-site diesel refuelling, environmental risk management, and capturing fuel consumption and equipment operation data.

"In most companies, someone is responsible for ordering the fuel and they try to make sure the company's equipment doesn't run out, but they are not fuel managers," Lee comments. "This is where

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4Refuel comes in. We manage your refuelling with no wasted man-hours, no down-time, and no risk to the environment. Then, we give you the data to make key operating decisions to maximize productivity."

Lee says, "We started as a small company in 1995 and operated with the name "Mini-Tankers." All we did was deliver diesel fuel seven days a week, but our clients demanded more services. It became obvious that getting the fuel in the tank was only part of what they needed.

"So, we started a new affiliate, U-CON Systems Corporation that developed Fuel Management On-line. This new proprietary software and data reporting created to help manage fuel consumption and equipment operation. Data is delivered directly to our clients. We had become our clients fuel managers. Last year we changed the name of our company to 4Refuel," he adds.

Aecon Industrial has used 4Refuel for most projects since 1999. "It is more cost effective for them to do the fuelling and we never run out," Pierce states. "Fuel Management On-Line gives us a good overall retrospective on refuelling and the cost of operations."

"Our clients have told us no one else offers a complete Fuel Management Solution," says Lee. "No one can control the escalating price of fuel, but with an efficient fuel management system you can fight the cost of refuelling and minimize waste." ■



Managing fuel operations for oil and gas companies has become big business

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