

RECEIVED

SEP 04 2024

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

(SUBMIT IN DUPLICATE)

TO  
MONTANA BOARD OF OIL AND GAS CONSERVATION  
2535 ST. JOHNS AVENUE  
BILLINGS, MONTANA 59102

## REQUEST FOR TRADE SECRET EXEMPTION

1. Classification of Requesting Party  
☐ Operator ☒ Service Company ☐ Other – Specify \_\_\_\_\_
2. Full name of the Owner, Operator, or Service Company \_\_\_\_\_  
Fluid Energy Ltd.
3. Address 1500-140 10th Ave SE Calgary Alberta, Canada T2G 0R1 +1-403-463-5843  
(Address) (City) (State) (Zip Code) (Telephone Number)
4. 82-10-603, MCA requires that an owner, operator, or service company provide the complete disclosure of fracturing fluid. This must include the chemical compound name and the chemical abstracts service (CAS) registry number of the ingredients, including any hazardous components listed on a material safety data sheet as defined in 50-78-102, MCA, the product name, and the type of additive used. In limited situation the identity of the components of the fracturing fluid may be exempt from public disclosure as a "trade secret" under the criteria in 30-14-402, MCA.

I am requesting that the identity of a fracturing fluid component qualify for non-disclosure as a trade secret.

Chemical Family associated with the Chemical Constituent Nitrogenous Base

In order to claim that the identity of the fracturing fluid component is entitled to protection as a trade secret, I understand that I must provide specific information regarding each of the questions set forth in the MBOGC Trade Secret Guidelines. I have attached separate pages setting forth information in response to the questions set forth in the Guidelines.

## CERTIFICATE

I declare under penalties of perjury that this request and supporting information have been examined by me and to the best of my knowledge are true, correct and complete.

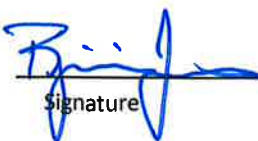


Signature

Karl Dawson, Lab Manager

Print name and title

## FOR STAFF USE ONLY:

APPROVED: ☒ Yes☐ No

Signature

Administrator

Title

9/17/24

Date

Expires 9/17/27



SEP 17 2024

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS

Fluid Energy Ltd.<sup>®</sup> | Suite 1500, 140-10<sup>th</sup> Ave SE, Calgary, AB Canada T2G 0R1 | 403.463.5843 | fluidenergyltd.com

REDACTED VERSION

Montana Board of Oil and Gas Conservation  
2535 St. Johns Avenue  
Billings, Montana 59102

September 17, 2024

CONFIDENTIAL

**RE: Request for Trade Secret Exemption – *Enviro-Syn*<sup>®</sup> HCR-7000-WL Ingredient 1**

Dear Montana BOGC,

Fluid Energy Ltd. is requesting a trade secret exemption for one ingredient in its proprietary modified acid product *Enviro-Syn*<sup>®</sup> HCR-7000-WL. The product contains a trade secret additive that confer several advantages including improved dermal safety, and corrosion protection for equipment. This letter includes the information required to demonstrate compliance with the trade secret requirements of Montana Code Annotated 82-10-604 subsection (1) and is deserving of exemption from public disclosure requirements for Ingredient 1.

**a) Has the ingredient identity, concentrations, or both, as appropriate, have not appeared in a public source or been publicly disclosed:**

To my knowledge the ingredient has not been identified as being a constituent of this product in the FracFocus database or any other public disclosure forum by Fluid Energy Ltd. or any other party.

**i. Pursuant to a federal, state, or local law or regulation**

The identity of the ingredient has not been publicly disclosed by Fluid Energy or, to my knowledge, anyone else, pursuant to any federal, state, or local law or regulation.

**ii. In a professional trade publication**

The identity of the ingredient has not been publicly disclosed by Fluid Energy or, to my knowledge, anyone else in a professional trade publication.

**iii. Through any other media or publications available to the public or your competing oil and gas owners, operators, or service companies?**

The identity of the ingredient has not been publicly disclosed by Fluid Energy or, to my knowledge, anyone else through any other media or publications available to the public or competing oil and gas owners, operators, or service companies.

**b) To what extent the identity of the ingredient, its concentrations, or both, as appropriate, are known within a company and how the information is housed in the company and what steps employees, officers, agents, and directors take to prevent disclosure of the information.**

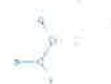
Security procedures are employed as would normally be employed to protect confidential business information (CBI). Employees do not have access to the information unless they have a legitimate business purpose for such information. In addition, all employees are required to sign confidentiality agreements and are instructed not to disclose information to those outside of the company, except in circumstances and following internal corporate confidentiality procedures. Electronic copies of proprietary additive composition information are protected and maintained on a secure internal network, within a file structure to which access is restricted to pre-authorized individuals.

**c) Has any other federal or state entity has determined that the ingredient identity, concentrations, or both, as appropriate, are not entitled to protection from public disclosure.**

No federal or state entity has determined that the ingredient identity is not entitled to protection from disclosure.

**d) How the identity of the ingredient, its concentrations, or both, as appropriate, are commercially valuable to the owner, operator, or service company.**

Fluid has spent a considerable amount of time in developing the *Enviro-Syn*<sup>®</sup> HCR-7000-WL product line as a safe alternative to hydrochloric acid solutions. In *Enviro-*



SEP 17 2024

CONFIDENTIAL - REDACTED VERSION

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS  
fluidenergyllc.com

Syn® HCR-7000-WL the free dissociated proton from the HCl forms a Lewis-Acid-Base Adduct with the proprietary modifier. The activation energy present in the *Enviro-Syn*® HCR-7000-WL is distinct from hydrochloric acid (none) providing distinct advantages. Hydrochloric acid has no activation barriers, and the hydrogen is thus free to react aggressively with all molecules it comes in contact with; i.e. calcite, skin, metals. By the formation of a Lewis-Acid-Base Adduct, we have modified hydrochloric acid into a finished product with a greatly improved HSE profile (non-corrosive to skin) and various technical/performance advantages such as a lower corrosion rate and improved wormholing properties.

The extensive research into a variety of different chemistries highlighted that said modifier as a specific ingredient that could be added to hydrochloric acid solutions to make them much safer with respect to skin corrosion. OECD 404 testing to the US Department of Transportation's criteria has shown that the *Enviro-Syn*® HCR-7000-WL is non-corrosive to skin and, combined with the low corrosion rate on carbon steel, is non-regulated for ground transport providing significant logistical advantages and safety benefits to the public in the event of a transportation-related accident. Another novelty about the ingredient is the fact that it depresses the freezing point of the hydrochloric acid solution to -49 °F. *Enviro-Syn*® HCR-7000-WL can be used also at higher temperatures, up to 374 °F, versus competing modified acid systems, some of which are limited to temperatures below 230 °F, which is also a novel and unique property in the field of modified acids.

- e) **The ease or difficulty with which the complete composition of the fracturing fluid, including the ingredient identity, concentrations, or both, as appropriate, could be determined because of public disclosure. The information must explain why a systems approach format would not adequately protect a proprietary interest.**

As set forth above, Fluid Energy's current practices and controls are intended to ensure that its competitors cannot acquire or duplicate the product information on their own. The ingredient in *Enviro-Syn*® HCR-7000-WL for which confidentiality protection is sought is known within the industry for completely different applications (e.g., chelating agent, chemical scrubber, emulsion stabilizer, lubricant), which means that divulging its identity in a systems approach format would immediately provide Fluid's competitors with knowledge of the primary active ingredients in the product that confers many of the product's advantages. There are

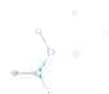


non-hazardous ingredients within the product that have been disclosed by Fluid Energy Group using the systems approach format and will continue to be disclosed in this manner. If the Product Information was disclosed to the public, Fluid's and its partner's significant investment in resources, time, and money to commercialize this technology would be lost.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Tom McLoughlin'.

Tom McLoughlin  
Director - Technology  
Fluid Energy Ltd.



Chemical Information for Enviro-Syn® HCR-7000-WL

Enviro-Syn® HCR-7000-WL		
Component Name	CAS#	Concentration
Hydrochloric Acid	7647-01-0	10-30
Proprietary	Proprietary	5-10

RECEIVED

SEP 17 2024

MONTANA BOARD OF OIL &  
GAS CONSERVATION • BILLINGS



