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DRIFLOW X ROADSHOW

Permian Basin



The DCS team on the road in Midland, showcasing the DriFlow X unit.

The unmanned, semi-autonomous DriFlow X system streamlines dry FR delivery direct to the frac blender tub.

DCS provides a unique method of dispersion with a simplified, value-adding tool for frac operations while maintaining a high quality product and service.

The latest iteration of the DriFlow delivery system is a step change from the original 40' unit that the DriFlow program's reputability was built on. Weighing no more than the 2500 pick-up truck towing the system, DriFlow X delivers robust and reliable performance on an 8' x 8' skid. Also known as DFX, the revamped unit boasts several new features that increase operational run-time efficiency and create a seamless integration with frac equipment.

On a sunny afternoon in downtown Midland last March, passersby could catch a glimpse of

the DFX unit as the DCS team showcased the ease of mobility and minute footprint as part of the first DFX Roadshow. Visiting with a total of 10 operators and service companies, the show provided a brief break from the daily routine to get out of the office and enjoy some sunshine and a cold refreshment while chatting "on-the-fly" with DCS sales, engineering and field folks.

It's never been easier to get the latest on DriFlow technology and services! For inquiries on the next DFX roadshow, see page 12 to contact our team.

Streamlining Inventory

DCS operates, primarily, in three major basins with full service facilities in each to support the 26-unit DriFlow fleet. With constantly moving parts and equipment due to the nature of the business, Imad Qadir, Lead Operations Engineer, saw a need for a more refined and standardized inventory system to combat the time and financial loss incurred from a lack of organization and simplification. Over the last year, Qadir has led the project on developing a robust inventory system which has standardized and streamlined inventory processes to ensure the correct parts and supplies are available to the field operations team at all times. “The biggest challenge was creating a parts room that could be followed seamlessly at other facilities,” share Qadir. To overcome this, Qadir implemented strategies to

make it simple and convenient for more frequently used parts to be accessed, increasing operational efficiency. Qadir started as a field engineer with DCS over 2 years ago and is currently a Lead Operations Engineer in the Haynesville basin. The day to day for a DCS engineer is fast-paced and constantly changing. When asked what key qualities make a successful operations engineer, Qadir responded, “The most important quality for an operations engineer at DCS to have is adaptability. The nature of our business is rapidly growing and we’re always implementing new technology. These changes regularly affect our workflow and you have to be open and willing to embrace these changes in order to be successful and innovative.”

Organizational Impact



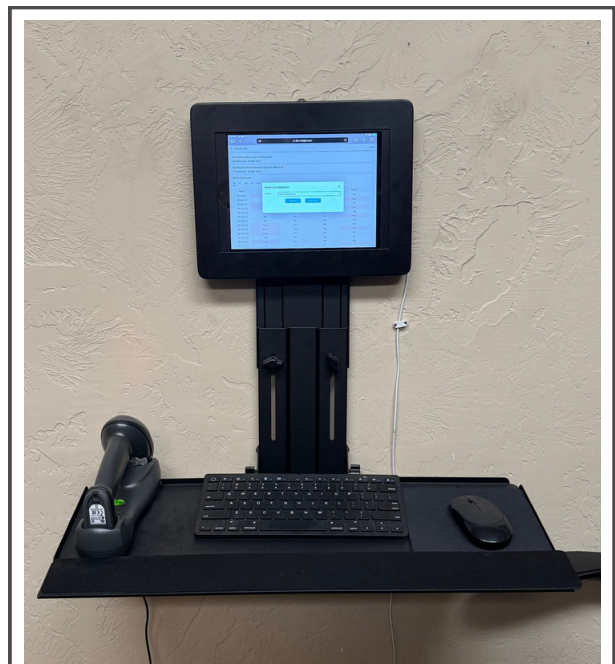
Self-Reliance



Adaptability



Cost Control



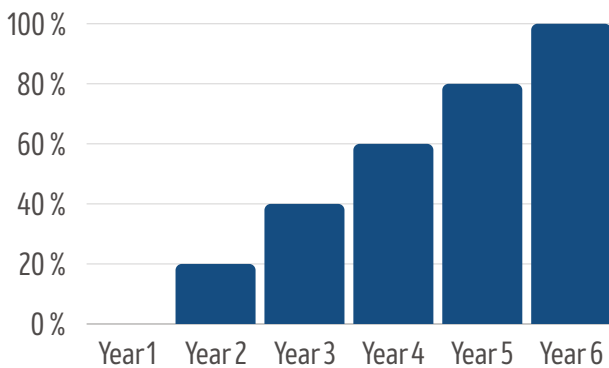
The upgraded inventory management system (pictured above) provides an easy to use and standardized process for the operations team across the DCS facilities.

ESOP Updates

As of August 1, 2023, DCS has operated as a 55% employee-owned company, creating many incentives and opportunity for the 150+ folks within the organization. Eight months later, DCS employee-owners are receiving the first distributions from the 2023 annual ESOP earnings. All DCS employee-owners who meet the eligibility criteria have received their distribution via postal service. Additionally, individuals can login to check their accounts on the BPAS website linked below:



Vesting Schedule



*1 year of service = 1,000+ hours in a plan year

Eligibility Criteria

To participate in the DCS Employee Stock Ownership Plan, individuals must be at least 18 years of age and must NOT fall under any of the following employment types:

- union employee
- leased employee
- nonresident alien

To receive the first ESOP distribution in April 2024, employee-owners must have been employed at DCS no later than October 1, 2023. Should you have questions regarding eligibility or other ESOP-related questions, please send an email to sandy@stimchems.com.

ESOP Contributions Point System

Points	Contributing Factor
1	For every \$1,000 of eligible compensation
10	For every 1 year of service (1,000 hours)

REMINDER TO ALL EMPLOYEE-OWNERS

Once you have received your initial statement, be sure to create and log in to your BPAS account to confirm or make any necessary changes to your beneficiary designation under the “My Profile” tab.



Operational Improvements

A crucial operational component within the DriFlow process is the feeder system that adjusts powder flow to achieve a target FR rate. To deliver the correct amount of product, a motor speed controller on the DriFlow unit regulates the feeder motor on the powder trailer, controlling the auger that dispenses the DriFlow product. This process requires two hard wired cables from the unit to the powder trailer to provide signal to the trailer-mounted feeder and power to the motor. Historically, the issues faced with the two wired connections are water ingress and corrosion at the connection points and wear and tear of the wiring from the unavoidable disconnecting and reconnecting when swapping hoppers or powder trailers. Acknowledging the effect this issue had on operational efficiency, Josh Romero, a Lead

Operations Engineer set out to find a solution to minimize the operational effects of these issues. Research and testing yielded a solution in the form of a new style connector that better prevented water damage and improved ease of use. Implementation across the fleet proved to be the next challenge. “Managing project time and progression when operations takes priority was a challenge to overcome,” stated Romero. To achieve a successful rollout of the new equipment, Romero implemented a schedule for the engineering team to gradually transition the fleet without disrupting the daily operations duties of the team. Romero joined DCS as a field engineer 2 years ago and has since moved into a Lead Operations Engineer role, where he describes diligence as a key attribute to being a successful DCS engineer.

Organizational Impact



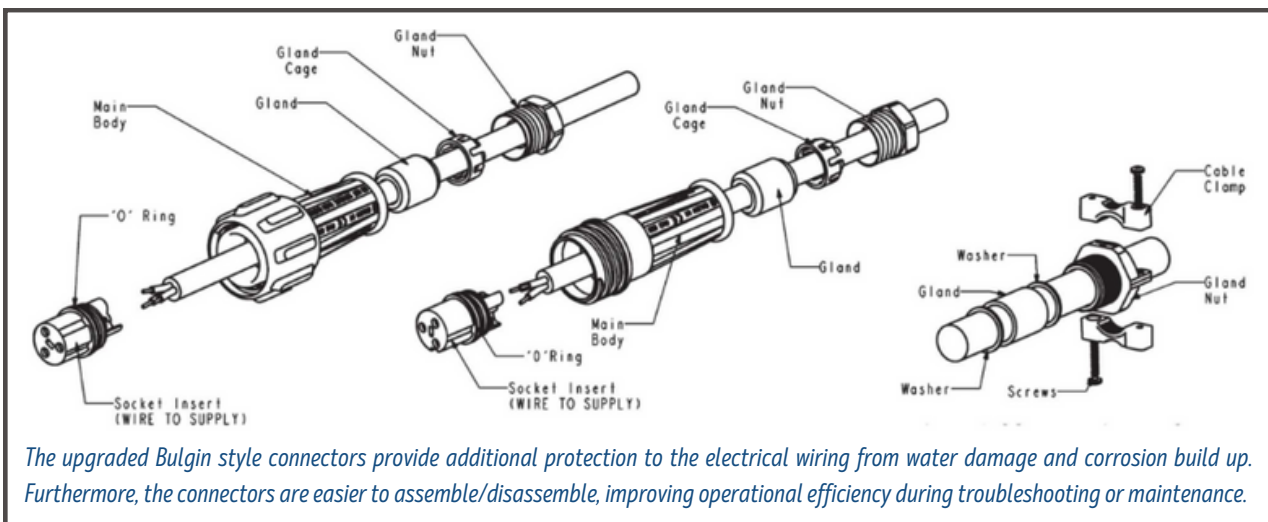
Operational Run-Time



Ease of Use

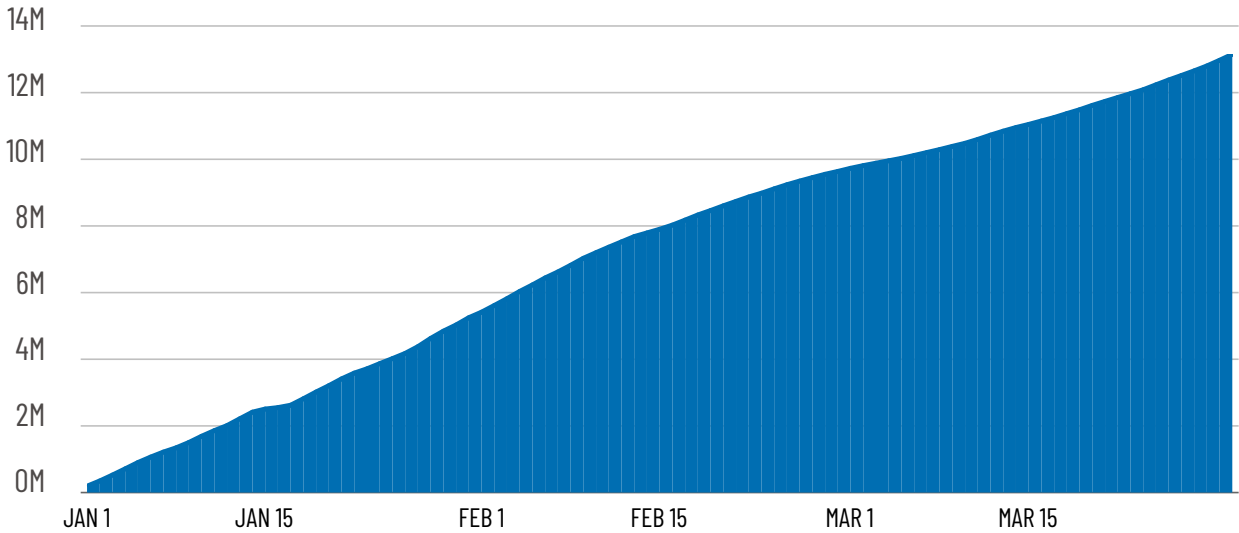


Equipment Durability



DriFlow Performance

Cumulative Powder Consumption



Kicking off 2024, the team saw an uptick in DriVisc consumption, propelling DCS towards another record usage month in January and breaking the 5 million pound mark. Another record was set in January with nearly 250 thousand pounds pumped in a single day, surpassing the previous single day record by more than 28 thousand pounds. However, the

dip in activity across the Haynesville basin was evident in the months that followed. Though activity has slowed in the Haynesville gas plays, Q2 is gearing up to bring in higher activity and Dri consumption with the rollout of the DFX unit in the Midland and Delaware basin and recent DriFlow growth in the Eagleford basin.

PRODUCT PUMPED IN Q1

13,149,234 POUNDS

DAILY PUMPING AVERAGE

144,497 POUNDS

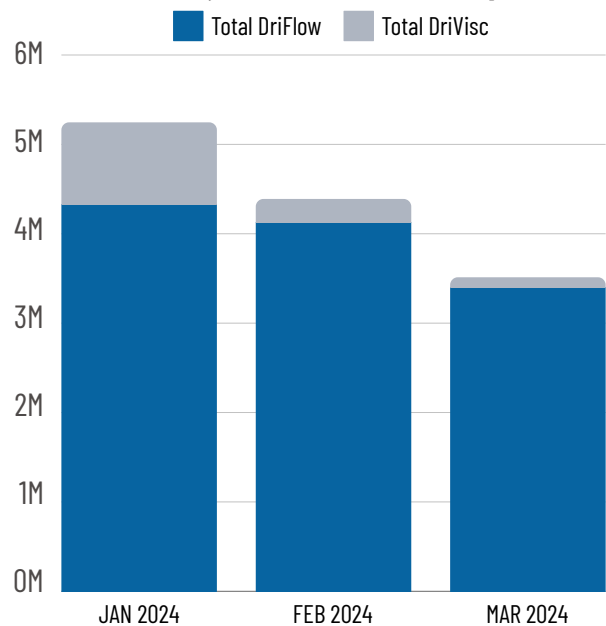
RECORD MONTH: JANUARY

5,246,487 POUNDS

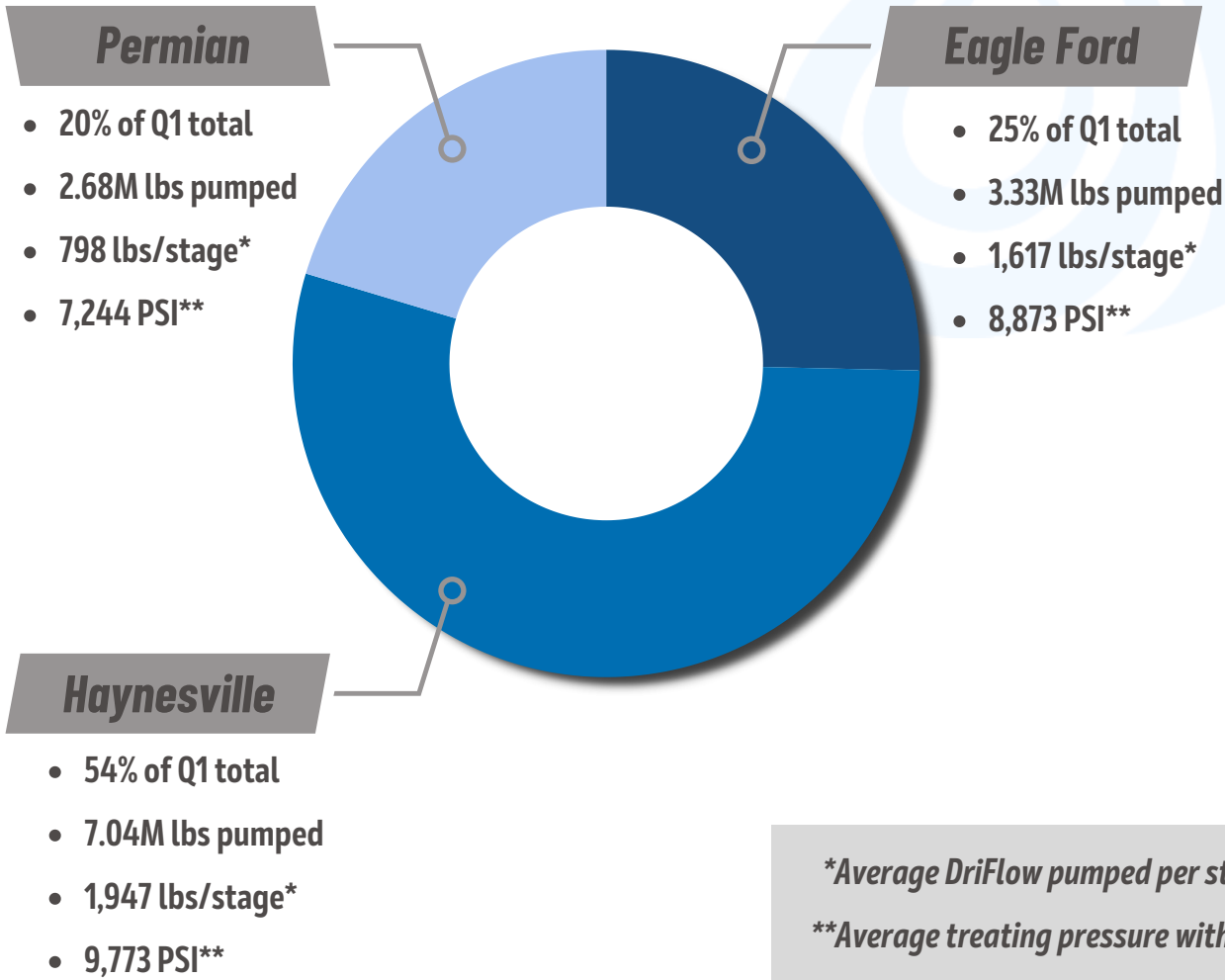
RECORD DAY: JANUARY 28TH

247,286 POUNDS

2024 Q1 Monthly Dri Product Consumption

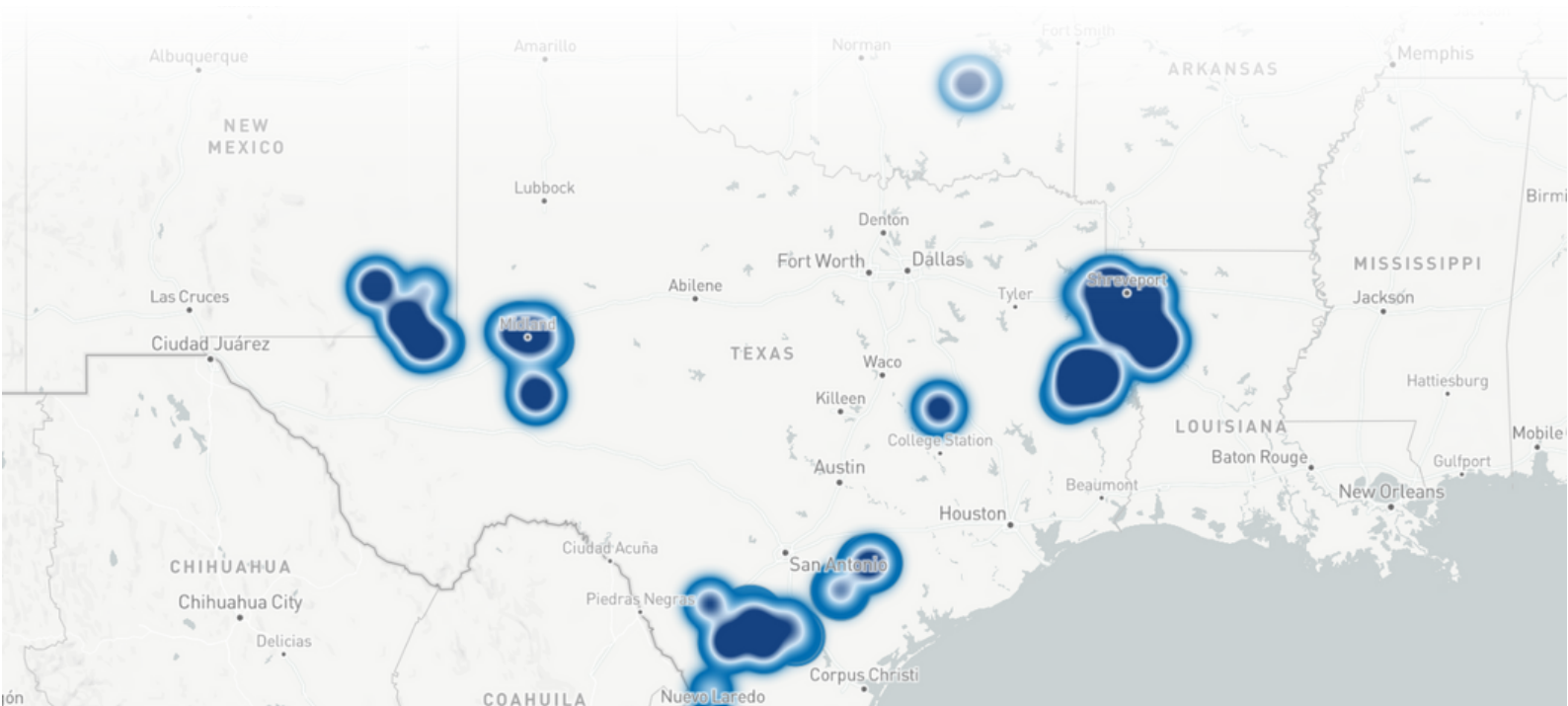


Basin Breakdown



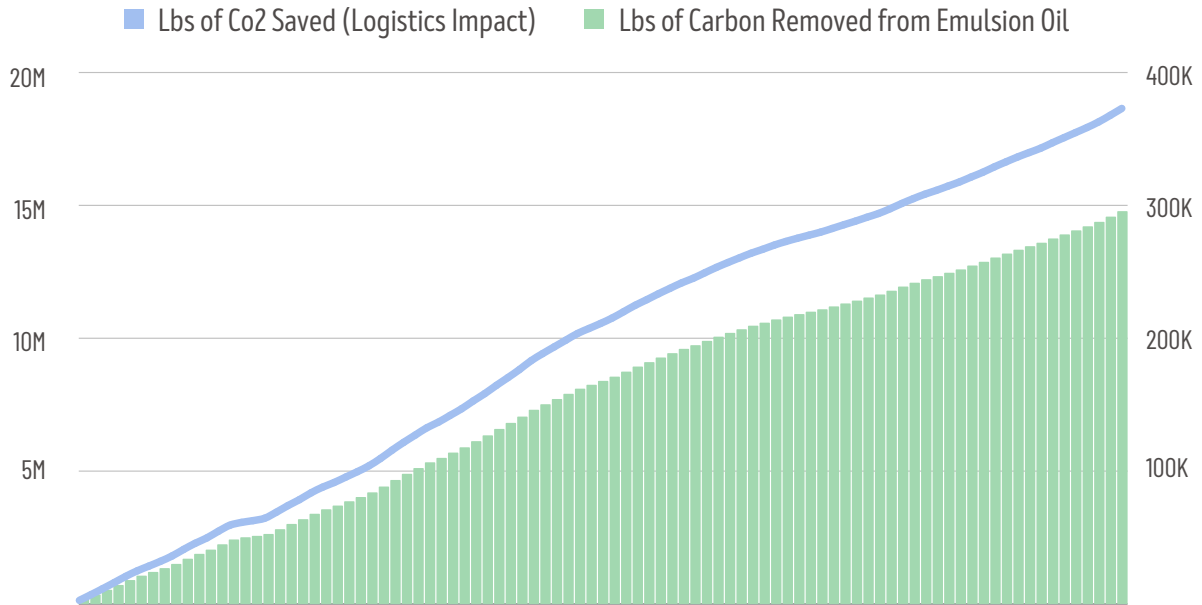
**Average DriFlow pumped per stage*

***Average treating pressure with DriFlow*



ESG Performance

2024 Q1 Carbon Emissions Reduction



Environmental Impact

DCS is committed to providing a premier product and service to our clients. In addition to performance and service quality, the advantage of using DriFlow over traditional liquid FR emulsions is the sustainable operations practices that translate into reduced carbon emissions. The environmental benefit to using

dry friction reducer and guar is evident in the amount of carbon removed in transportation emissions and emulsion oil in just Q4. Furthermore, a fully electric and dust free system makes DriFlow the clear choice for clients focused on achieving their ESG goals without compromising operational efficiency.

LBS CARBON REMOVED
(FROM EMULSION OIL)
14,783,448

LBS CO2 SAVED
(LOGISTICS IMPACT)
372,893

TRIP MILES SAVED
82,865

TRIPS REMOVED
828

Advance with DCS

DCS takes great pride in the talent and experience that our people add to the company and makes it a focus to foster the career development of all team members. Opportunity for career advancement is encouraged and available across the entire organization through trainings, mentorships and projects. For the engineering department, the career progression has been carefully designed to support individual growth and encourage innovative approaches to problem solving. From data analysis to mechanical design, operations to sales, DCS engineers are equipped with the knowledge and tools to support both their personal development and organizational goals. Extensive field experience, long-term

goal setting and project management provides DCS operations engineers with the ability to grow the tool set needed to confidently translate their skills across different facets of the business. The career advancement timeline for an engineer at DCS typically follows a three year developmental progression, marked annually by a presentation to recap projects and goals throughout the year. During this time, operations engineers have the opportunity to have an open discussion with the executive team and showcase his or her project updates with the company as a whole. Recently completing their Senior Operations engineering projects, Imad Qadir and Josh Romero were able to present in April to the organization. Check out their project recap on pages 6 and 8!

Engineering Career Progression Timeline

Operations Engineer 1

As a first-year operations engineer, the primary focus will be on field operations and becoming familiarized with the organization through a rotational development program.

Operations Engineer 2

Provides oversight, support and guidance in operational troubleshooting and problem solving. A progression project is undertaken and the engineer is expected to deliver a final presentation upon completion.

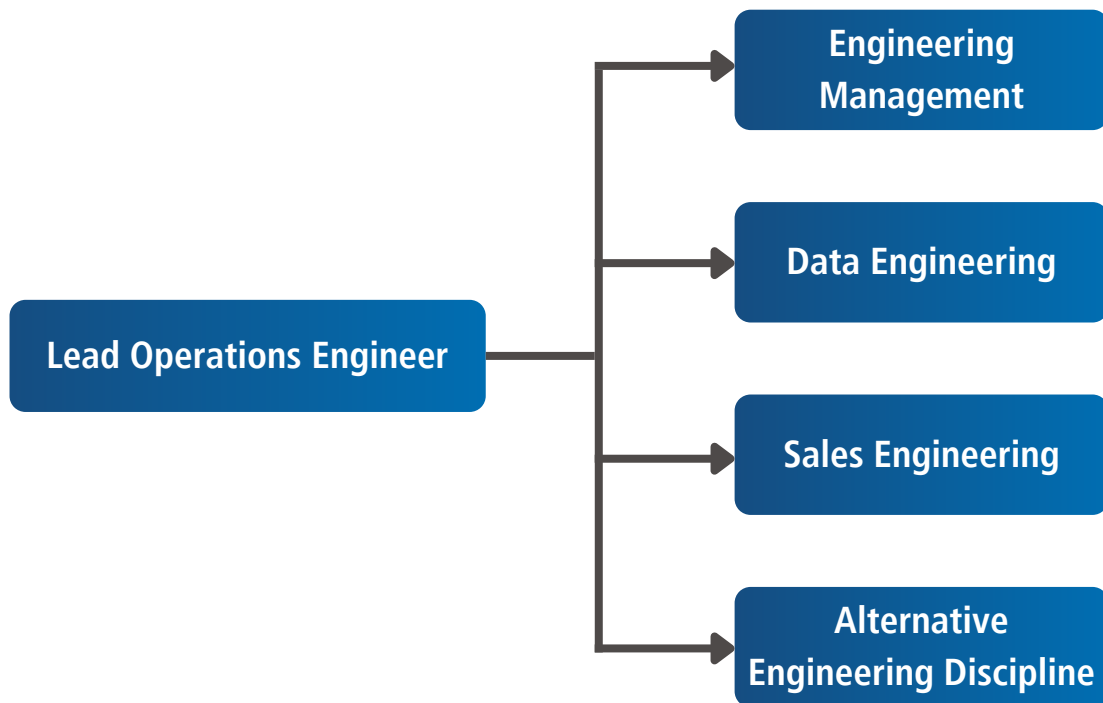
Lead Operations Engineer

In addition to supporting operations as a technical expert, the engineer is challenged to identify areas for improvement & explore innovative solutions. A capstone project will be completed & a final presentation is delivered.

Customize Your Career Path

The goal of the three year engineer progression structure is to provide individuals with a strong foundation in applied engineering and problem solving paired with a proficient knowledge of DriFlow operations. Following the completion of the progression program, DCS offers a wide range of engineering pathways and provides engineers with the opportunity to seek out specific value-adding roles that appeal to their passions and skill set. The diagram below highlights some of the different roles that a DCS engineer might pursue.

Post 3-Year Operations Program, Progression Pathways



Should an engineer identify a need for a specific role to be filled and choose to pursue the role, DCS is open and encouraging of research into the position and discussion to determine where the role might fit within the organization and the benefits to the individual engineer and the company as a whole.

To learn more about career opportunities at DCS, please visit the “careers” page on our website or send us an email at info@stimchems.com.



Business Development

Let DCS provide the right solution for your stimulation chemical needs. For questions or inquiries regarding DCS services, please contact our business development or client support team:



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