

Mesa Natural Gas Solutions looks to power customers outside oil and gas

Goal is to reduce emissions and flaring, provide electricity

By **Mella McEwen**, MRT.com/Midland Reporter-Telegram Updated 1:18 am CDT, Sunday, August 25, 2019



For five years, Mesa Natural Gas Solutions has been manufacturing generators that can run on the natural gas associated with oil production. Half the company's business is in the Permian Basin.

Technology continues to flow into the Permian Basin to help operators snuff out the flares lighting the horizon and put that natural gas to use.

Five years ago, a group of military veterans founded Mesa Natural Gas Solutions -- with backing from T. Boone Pickens -- to manufacture natural gas generators. The Casper, Wyoming-based company now serves most of the nation's major producing basins.

With Permian producers having little ability to send their natural gas anywhere but up in smoke, the company offers a way to put that gas to work.

"We're able to take that flared gas and turn it into electricity so it's a win-win for everybody," said Colby Friday, a native of the Permian Basin and vice president, business development for the company. "We have generators that can run on that associated gas and we can produce electricity for pumping units or disposal wells."

The company has field offices in Midland, Pecos and Carlsbad, New Mexico, with 60 employees who work with such major Permian producers as Apache, Concho Resources, Devon and Occidental. The majority of the company's rental generators are at work in the Permian Basin.

When the company was founded five years ago, "we saw a need to do something with generators," said Scott Gromer, president and chief executive officer.

He said the concept drew support from BP Energy Partners, a spin-off investment fund from Pickens' BP Capital, and Pickens sat on the board of directors. The company has doubled in size almost every year since 2014. Both men proudly pointed out that the company has received recognition for its hiring and treatment of veterans, including the Department of Defense's Freedom Award in 2017 and the Department of Labor HIRE Vets Medallion Program in 2018.

Friday said that while a lot of the company's projects are microgrids, Mesa also has the ability to power extremely large projects and is looking to build projects outside the oil and gas sector -- from backup power and demand response to municipalities.

"Our main goal is reducing emissions, reducing flaring and giving that resource back in the form of electricity," he said.

OIL REPORT: Construction about to begin on Permian Highway natural gas pipeline

There are a lot of issues surrounding flaring, said Gromer, but "it doesn't matter what side of the aisle you're on, this is energy."

It's taking that stranded gas that would be flared and giving it value by converting it into, for example, electricity or compressed natural gas, he said.

Because there could be more electricity generated by these microgrids than the operator can use, Gromer said there are ways to aggregate those grids to provide energy elsewhere.

Friday agreed.

"We're seeing big producers team up with partners in ways that they can all consume the electricity that's generated."

The company hosts lunch-and-learn programs at the Petroleum Club for local business, said Friday. He stressed that these programs are less about selling Mesa's generators than about educating businesses that it is a tool available to address their flaring needs.

Mella McEwen is the Oil Editor and covers the latest business and energy news. Read her on our news site, MRT.com. mmcewen@mrt.com