Nitrogen Generation Systems for the Oil and Gas Industry

Bulletin N2OG-C

ENGINEERING YOUR SUCCESS.
We engineer success of our customers around the world, drawing upon nine core motion and control technologies. These technologies enable virtually every machine and process to operate accurately, efficiently and dependably.

As the global leader in motion and control, we partner with our distributors to increase our customers’ productivity and profitability by delivering an unmatched breadth of engineered components and value-added services.

We continue to grow with our customers by creating application-focused products and system solutions. A key to our global expansion has been to follow our customers and establish operations, sales and service wherever they are needed. No single competitor matches Parker’s global presence.

Parker’s Motion and Control Technologies

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**Failure or improper selection or improper use of the products and/or systems described herein or related items can cause death, personal injury and property damage.**

This document and other information from Parker Hannifin Corporation, its subsidiaries and authorized distributors provide product and/or system options for further investigation by users having technical expertise. It is important that you analyze all aspects of your application and review the information concerning the product or system in the current product catalog. Due to the variety of operating conditions and applications for these products or systems, the user, through its own analysis and testing, is solely responsible for making the final selection of the products and systems and assuring that all performance, safety and warning requirements of the application are met.

The products described herein, including without limitation, product features, specifications, designs, availability and pricing, are subject to change by Parker Hannifin Corporation and its subsidiaries at any time without notice.

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**Offer of Sale**

The items described in this document are hereby offered for sale by Parker Hannifin Corporation, its subsidiaries or its authorized distributors. This offer and its acceptance are governed by the provisions stated in the “Offer of Sale”.

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High Pressure, High Flow Nitrogen Membrane Technology

Up To 400 PSIG (28 BARG)

Benefits:

• Supply pressures to 400 psig (28 bar)
• Custom skid and containerized portable systems available
• Excellent nitrogen production even at low temperatures
• Your choice of low pressure or high pressure systems
• Parker membranes are robust and less sensitive to contamination
• Little to no performance degradation over time

High flow 3000 scfm (5100 m³/hr), 95% N₂ system installed in a standard 20 ft (6.1 m) ISO shipping container for operation in arctic conditions, ZONE II compliant.

Parker High and Low Pressure Nitrogen Membranes
Portable Nitrogen Membrane Systems

Up To 400 PSIG (28 BARG)

Custom Designed Systems

All our products are engineered with the highest attention to detail. Parker provides the features you need and benefits you want. Parker nitrogen generators illustrate all aspects of engineering excellence. Parker’s HiFluxx® membranes are the ideal solution for large generators that must be compact and lightweight, such as trailer-mounted or containerized systems. All systems can be designed for low or high pressure feed air sources, giving the user the option of utilizing plant air or a multi-stage compressor. No other membrane system can offer the flexibility and feed air options for both onshore and offshore applications.

Applications:

- Portable Nitrogen Gas Generator.
  - Up to 3,000 SCFM (5100 m³/hr) at 95% Purity
- Up to 400 PSIG (28 BARG)
- DNV Shipping Containers / CE Certified.
- IEC Electrical Requirements. Australian AS1210 Compliance (50 Hz & 60 Hz)
- Drilling, Pipeline, Marine, Mining and Process Facilities
Dry Gas Seal and High Pressure Nitrogen Systems

N2 Systems with Boosters to 5000 PSIG (345 BARG)

Parker Hannifin has OEM relationships with the leading suppliers of feed air and booster compressors to supply N2 systems that meet virtually any high flow requirement to client specifications. Parker will work closely with our equipment partners to ensure customer specifications are met and global service is provided on a turnkey basis.

Dry Gas Seal Systems

A typical application is pressurizing dry gas seals on selected GAScompressor and turbine installations that need inert gas for lubricating and pressurizing dry seals designed to contain flammable, toxic, or hazardous process gasses from leaking into the atmosphere.

Skidded and Truck-Mounted Systems

Parker HiFluxx® membranes can be configured to fit any installation because of their inherent compactness and high N2 productivity.

Diesel Powered Nitrogen Gas Booster with capacity from 300 - 1,000 SCFM (510 m³/hr) and outlet pressures from 350 - 5,000 PSIG (24 - 345 BARG)
Oil Field N2 PSA Systems

Custom Designed PSA Systems

Parker’s continuing in-house R&D has resulted in nitrogen generators that offer the best combination of economy and efficiency available today. With decades of experience in developing innovative products, Parker has set the standard for precision engineering, optimum performance, and customer satisfaction.

As nitrogen flow and purity requirements increase, quite often, the more cost effective on-site generation technology is pressure swing adsorption systems. Parker PSAs are the industry standard for high performance and longevity, ensuring years of stable, trouble-free performance with the lowest energy costs.

Applications:

• Pressure maintenance for depleted reservoirs
• Continuous gas lift operations at high purity
• Reservoir performance testing

DNV Container (10’/3m) / Class I Div II Group C&D, DH Desiccant Dryer (fully pneumatic, no electrical) for off-shore oil platform (pipeline purging) applications. 200+SCFM (340 m³/hr) at 95% purity (expandable).

Large, Custom PSAs are available from nitrogen flow rates from 6,000 SCFH to 86,000 SCFH (170 m³/hr to 2435 m³/hr) from purities of 98% to 99.999%
Offer of Sale

The items described in this document and other documents and descriptions provided by Parker Hannifin Corporation, FNS Division, its subsidiaries and its authorized distributors (“Seller”) are hereby offered for sale at prices to be established by Seller. This offer and its acceptance by any customer (“Buyer”) shall be governed by all of the following Terms and Conditions. Buyer’s order for any item described in its document, when communicated to Seller verbally, or in writing, shall constitute acceptance of this offer. All goods, services or work described will be referred to as “Products.”

1. Terms and Conditions. Seller’s willingness to offer Products, or accept an order for Products, to or from Buyer is subject to these Terms and Conditions or any newer version of the terms and conditions found on-line at www.parker.com/saleterms/. Seller objects to any contrary or additional terms or conditions of Buyer’s order or any other document issued by Buyer.

2. Price Adjustments; Payments. Prices stated on Seller’s quote or other documentation offered by Seller are valid for 30 days, and do not include any sales, use, or other taxes unless specifically stated. Unless otherwise specified by Seller, all prices are F.C.A. Seller’s facility (INCOTERMS 2010). Payment is subject to credit approval and is due 30 days from the date of invoice or such other term as required by Seller’s Credit Department, after which Buyer shall pay interest on any unpaid invoices at the rate of 1.5% per month or the maximum allowable rate under applicable law.

3. Delivery Dates, Title and Risk; Shipment. All delivery dates are approximate and Seller shall not be responsible for any damages resulting from any delay. Regardless of the manner of shipment, title to any products and risk of loss or damage shall pass to Buyer upon placement of the products with the shipment carrier at Seller’s facility. Unless otherwise stated, Seller may exercise its judgment in choosing the carrier and means of delivery. No damage of shipment at Buyers’ request beyond the respective dates indicated will be made except on terms that will indemnify, defend and hold Seller harmless against all loss and additional expense. Buyer shall be responsible for any additional shipping charges incurred by Seller due to Buyer’s acts or omissions.

4. Warranty. Seller warrants that the Products sold hereunder shall be free from defects in material or workmanship for a period of 12 months from the date of shipment and covers in-factory repair and parts only. Warranty does not include on site labor, travel expenses, or other expense associated with field repair. Purchaser shall notify Seller of any breach of warranty within 30 days. Upon notification, Seller will, at its option, repair or replace the defective product, or refund its purchase price. Any action for breach of warranty or for failure to deliver must be commenced within 13 months of its accrual. DISCLAIMER OF WARRANTY: ANY WARRANTY COMPRIS THE GOODS AND ENTIRE WARRANTY PERTAINING TO ITEMS PROVIDED HERELUNDER. SELLER DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

5. Claims; Commencement of Actions. Buyer shall promptly inspect all Products upon delivery. No claims for shortages will be allowed unless reported to the Seller within 10 days of delivery. No other claims against Seller will be allowed unless asserted in writing within 30 days after delivery. Buyer shall notify Seller of any alleged breach of warranty within 30 days after the date the defect is or should have been discovered by Buyer. Any action based upon breach of this agreement or upon any other claim arising out of this sale (other than an action by Seller for an amount due on any invoice) must be commenced within 12 months from the date of the breach without regard to the date breach is discovered. If product is returned for refund, a 20% restock fee may apply.

6. LIMITATION OF LIABILITY. UPON NOTIFICATION, SELLER WILL, AT ITS OPTION, REPAIR OR REPLACE A DEFECTIVE PRODUCT, OR REFUND THE PURCHASE PRICE. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR AS THE RESULT OF, THE SALE, DELIVERY, NON-DELIVERY, SERVICING, USE OR DISPOSAL OF THE PRODUCTS OR ANY PART THEREOF, OR FOR ANY CHARGES OR EXPENSES OF ANY NATURE INCURRED WITHOUT SELLER’S WRITTEN CONSENT, EVEN IF SELLER HAS BEEN NEGLIGENT, WHETHER IN CONTRACT, TORT OR OTHER LEGAL THEORY. IN NO EVENT SHALL SELLER’S LIABILITY UNDER ANY CLAIM MADE BY BUYER EXCEED THE PURCHASE PRICE OF THE PRODUCTS.

7. User-Responsibility. The user, through its own analysis and testing, is solely responsible for making the final selection of the system and Product and assuring that all performance, endurance, maintenance, safety and warning requirements of the application are met. The user must analyze all aspects of the application and follow applicable industry standards and Product information. If Seller provides Product or system options, the user is responsible for determining that such data and specifications are suitable and sufficient for all applications and reasonably foreseeable uses of the Products or systems.

8. Loss to Buyer’s Property. Any designs, tools, patterns, materials, drawings, confidential information or equipment furnished by Buyer or any other items which become Buyer’s property, will be considered obsolete and may be destroyed by Seller after two consecutive years have elapsed without Buyer ordering the items manufactured using such property. Seller shall not be responsible for any loss or damage to such property while it is in Seller’s possession or control.

9. Special Tooling. A tooling charge may be imposed for any special tooling, including without limitation, dies, fixtures, molds and patterns, acquired to manufacture Products. Such special tooling shall be and remain Seller’s property notwithstanding payment of any charges by Buyer. In no event will Buyer acquire any interest in apparatus belonging to Seller which is utilized in the manufacture of the Products, even if such apparatus has been specially converted or adapted for such manufacture and notwithstanding any charges paid by Buyer. Unless otherwise agreed, Seller shall have the right to alter, discard or otherwise dispose of any special tooling or other property in its sole discretion at any time.

10. Buyer’s Obligation; Rights of Seller. To secure payment of all sums due or otherwise, Seller shall retain a security interest in the goods delivered and this agreement shall be deemed a Security Agreement under the Uniform Commercial Code. Buyer authorizes Seller as its attorney to execute and file on Buyer’s behalf all documents Seller deems necessary to perfect its security interest.

11. Improper use and Indemnity. Buyer shall indemnify, defend, and hold Seller harmless from any claim, liability, damages, losses, and costs (including attorney fees), whether for personal injury, property damage, patent, trademark or copyright infringement or any other claim, brought by or incurred by Buyer, Buyer’s employees, or any other person, arising out of: (a) improper selection, improper application or other misuse of Products purchased by Buyer from Seller; (b) any act or omission, negligence or otherwise, of Buyer; (c) Seller’s use of plans, patterns, drawings, or specifications furnished by Buyer to manufacture Product; or (d) Buyer’s failure to comply with these terms and conditions. Seller shall not indemnify Buyer under any circumstance except as otherwise provided.

12. Cancellations and Changes. Orders shall not be subject to cancellation or change by Buyer for any reason, except with Seller’s written consent and upon terms that will indemnify, defend and hold Seller harmless against all direct, incidental and consequential loss or damage. Seller may change product features, specifications, designs and availability with notice to Buyer. Order cancellation fee of 15% may apply.

13. Limitation on Assignment. Buyer may not assign its rights or obligations under this agreement without the prior written consent of Seller.

14. Force Majeure. Seller does not assume the risk and shall not be liable for delay or failure to perform any of Seller’s obligations by reason of circumstances beyond the reasonable control of Seller (hereinafter “Events of Force Majeure”). Events of Force Majeure shall include without limitation: accidents, strikes or labor disputes, acts of any government or government agency, acts of nature, delays or failures in delivery from carriers or suppliers, shortages of materials, or any other cause beyond Seller’s reasonable control.

15. Waiver and Severability. Failure to enforce any provision of this agreement will not waive that provision nor will any such failure prejudice Seller’s right to enforce that provision in the future. Invalidation of any provision of this agreement by legislation or other rule of law shall not invalidate any other provision herein. The remaining provisions of this agreement will remain in full force and effect.

16. Termination. Seller may terminate this agreement for any reason and at any time by giving Buyer thirty (30) days written notice of termination. Seller may immediately terminate this agreement, in writing, if Buyer: (a) commits a breach of any provision of this agreement (b) appoints a trustee, receiver or custodian for all or any part of Buyer’s property (c) files a petition for relief in bankruptcy on its own behalf, or by a third party (d) makes an assignment for the benefit of creditors, or (e) dissolves or liquidates all or a major part of its assets.

17. Governing Law. This agreement and the sale and delivery of all Products hereunder shall be deemed to have taken place in and shall be governed and construed in accordance with the laws of the State of Ohio, as applicable to contracts executed and wholly performed therein and without regard to conflicts of laws principles. Buyer irrevocably agrees and consents to the exclusive jurisdiction and venue of the courts of Cuyahoga County, Ohio with respect to any dispute, controversy or claim arising out of or relating to this agreement.

18. Indemnity for Infringement of Intellectual Property Rights. Seller shall have no liability for infringement of any patents, trademarks, copyrights, trade dress, trade secrets or similar rights except as provided in this Section. Seller will defend and indemnify Buyer against allegations of infringement of U.S. patents, U.S. trademarks, copyrights, trade dress and trade secrets (“Intellectual Property Rights”). Seller will defend at its expense and will pay the cost of any settlement or damages awarded in an action brought against Buyer based on an allegation that a Product sold pursuant to this Agreement infringes the Intellectual Property Rights of a third party. Seller’s obligation to defend and indemnify Buyer is contingent on Buyer notifying Seller within ten (10) days after Buyer becomes aware of any allegations of infringement, and Seller having sole control over the defense of any allegations or actions including all negotiations for settlement or compromise. If a Product is subject to a claim that it infringes the Intellectual Property Rights of a third party, Seller may, at its sole expense and option, procure for Buyer the right to continue using the Product, replace or modify the Product so as to make it noninfringing, or offer to accept return of the Product and return the purchase price less a reasonable allowance for the foresight of infringement. Notwithstanding the foregoing, Seller shall have no liability for claims of infringement based on information provided by Buyer, or directed to Products delivered hereunder for which the designs are specified in whole or part by Buyer, or infringements resulting from the modification, combination or use in a system of any Product sold hereunder. The foregoing provisions of this Section shall constitute Seller’s sole and exclusive liability and Buyer’s sole and exclusive remedy for infringement of Intellectual Property Rights.

19. Entire Agreement. This agreement contains the entire agreement between the Buyer and Seller and constitutes the final, complete and exclusive expression of the terms of sale. All prior or contemporaneous written or oral agreements or negotiations with respect to the subject matter are hereby merged.

20. Compliance with Law, U. K. Bribery Act and U.S. Foreign Corrupt Practices Act. Buyer agrees to comply with all applicable laws and regulations, including both those of the United Kingdom and the United States of America, and of the country or countries of the Territory in which Buyer may operate, including without limitation the U.K. Bribery Act, the U.S. Foreign Corrupt Practices Act ("FCPA") and the U.S. Anti-Kickback Act (the "Anti-Kickback Act"), and agrees to indemnify and hold Seller harmless from the consequences of any violation of such provisions by Buyer, its employees or agents. Buyer acknowledges that they are familiar with the provisions of the U.K. Bribery Act, the FCPA and the Anti-Kickback Act, and certifies that Buyer will adhere to the requirements thereof. In particular, Buyer represents and agrees that Buyer shall not make any payment or give anything of value, directly or indirectly to any governmental official, any foreign political party or official thereof, any candidate for foreign political office, or any commercial entity or person, for the purpose of influencing such person to purchase products or otherwise benefit the business of Seller.
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