



F2V: Innovative Solution to Flare Gas Utilisation

F2V's vision is to create a F2V Centre of Excellence of flare gas utilisation in the Sultanate of Oman and unlock business and employment generation opportunities across the value chain.





Dr Frigyes Lestak,
CEO – F2V LLC

Amid intensifying efforts by the Omani government, as well as Oil & Gas players, to rein in carbon emissions in support of the nation's COP 26 climate mitigation commitments, a British-Omani company has been garnering accolades for its own distinctive business solution to a longstanding environmental and resource waste challenge: gas flaring.

F2V (Flare2Value) LLC, a subsidiary of UK-registered F2V International Ltd, has set up operations in Oman to provide energy companies across the region with end-to-end solutions designed to help them not only address their emission reduction targets, but at the same time, to unlock new value and revenue-generating opportunities from what is essentially regarded as a waste stream.

"We provide complete flare gas utilisation solutions without investment from energy companies or governments," said Dr Frigyes Lestak, CEO – F2V LLC. "Additionally, we focus on standardised solutions which can lead to reduced delivery time. Third, we bring a strong team specialised in flare gas monetisation, with expertise in business development, technology, project

management and finance. In summary, we are a one stop shop for flare out," he stated.

Gas flaring, according to the expert, contributes to about \$30 billion of resource waste and up to 700 million tons of CO₂ emissions every year. The amount of gases flared is equivalent to the gas demand of Japan and South Korea combined, he warns.

But with flare abatement, significant value is created by reducing resource waste and curbing harmful environmental emissions. Importantly, flare abatement projects also create jobs across a broad spectrum, stresses Dr Lestak.

"Flare gases are resources that can be utilised to generate energy or useful products. If the flare gas is burned in a flare, instead, it is wasted. In some countries the potential for saving is significant. In Oman, the value of gas burned is equivalent to 0.4% of the country's GDP, which is significant."

Flaring is also associated with harmful emissions that, on the one hand, can reflect poorly on a company's, and indeed the country's, commitment to meeting climate action goals.

The CEO explained: "Flares burn gases, produce CO₂ and other molecules as well

as are the sources of methane emissions. We all know that governments, investors and communities increasingly demand energy with less CO₂ emission. Through flare reduction we do not only reduce waste, but also reduce the CO₂ intensity of the produced crude oil or gas.”

Part of F2V’s mission to enable companies and countries deliver on their commitments under the ‘Zero Routine Flaring by 2030’ initiative launched by the World Bank in 2016. Oman is a signatory to this global pledge, which is also supported by energy companies and countries currently accounting for over 60% of crude production worldwide.

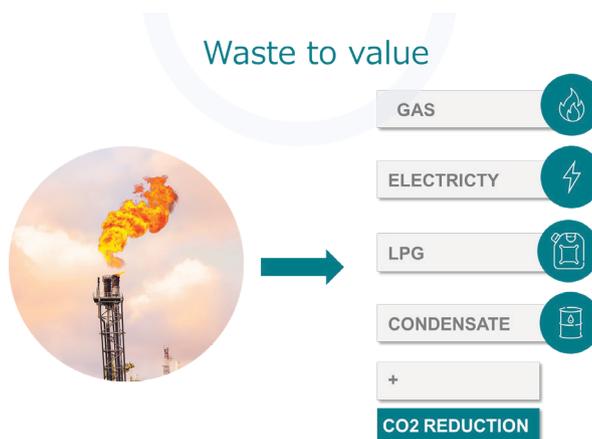
Notably, flare abatement can spawn significant numbers of jobs, according to the expert. “The world needs thousands of projects to eliminate flaring and it needs them quickly. This means jobs for operators, maintenance people, drivers, engineers, construction professionals and more,” he says.

In a major breakthrough for the company and its innovative flare abatement solutions, F2V LLC recently signed an agreement with Occidental Oman, the largest independent oil producer of the Sultanate of Oman, for the construction and operation of a flare gas recovery facility at Oxy’s Mukhaizna heavy oilfield in Block 53. The landmark pact, which will showcase F2V’s superior, cost-effective and environment-friendly solution, will help reduce emissions and create economic value from captured associated gas.

“We have developed the Mukhaizna opportunity at our own cost,” said Dr Lestak. “We will construct our gas capture facility and will operate it. As the result, Oxy will be able to reduce flaring, CO₂ emissions and operating cost.”

Underscoring the significance of the agreement for the hydrocarbon industry was the presence of His Excellency Salim bin Nasser Al Afi, Undersecretary – Ministry of Energy and Minerals, at the event.

Extolling the benefits of the project not only for the two partners, but for the industry and the economy as well, HE Al Afi said: “We are very pleased that Oman can provide a platform for innovation in the area of collecting and



utilizing flared gas. What is even more pleasing is the alignment of this project and F2V business with our national aspirations, to reduce flaring of low pressure gases, reduce emission of greenhouse gases, build value in country, facilitate technology and know-how transfer and build a platform for further FDI into Oman. We are looking forward to rapid scale up: delivery of the follow up projects, first in Oman, and the expansion of flare out delivery capabilities.”

For F2V LLC, the maiden Mukhaizna project will serve to showcase the company’s novel business model and its capabilities. It will also help accelerate the delivery of future projects in the company’s development funnel.

F2V’s longer term vision for the Sultanate of Oman is to evolve into a specialist hub centring around gas flaring abatement that unlocks business and employment generation opportunities across the value chain.

“We are committed to creating a F2V Centre of Excellence in Oman, providing support to our projects in construction, operation and later in project development, engineering and finance in country and in the region. Additionally, our projects will create opportunities for construction companies, manufacturing, maintenance, transport and support services. Local communities may benefit from providing resources to our projects and operations and perhaps in the future, using the energy we generate from waste,” he added. ■

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