The U.S. Market for Fracking Fluids

ABSTRACT

Furthermore, industry experts estimate that 60% to 80% of all new and existing wells drilled will employ hydraulic fracturing to remain viable. Growing environmental and health concerns over the technology have pushed the oil and gas operators to seek new fracking fluid components that offer both financial and environmentally sustainable benefits. [...] the nexus between the growing domestic energy production and increasing concern over the environmental and health concerns of the hydraulic fracturing technology have forced closer scrutiny of the market prospects for fracking fluid in the U.S. This report seeks to provide a breakdown of all the fracking fluid components, as well as projections for their markets from 2013 to 2018, using 2012 as the base year.

FULL TEXT

NEW YORK, April 24, 2014 /PRNewswire/ -- Reportlinker.com announces that a new market research report is available in its catalogue:

REPORT HIGHLIGHTS

The U.S. fracking fluid market was valued at $18.4 billion in 2012, grew to $26 billion in 2013, and is projected to reach about $37.3 billion in 2018, with a compound annual growth rate (CAGR) of 7.4% for the five-year period, 2013 to 2018.

This report provides: An overview of the U.S. market for fracking fluids, which are used in hydraulic fracturing, or "hydrofracking," for shale gas and oil production. Analyses of global market trends, with data from 2012, estimates for 2013, and projections of CAGRs for the period of 2013 to 2018. Breakdowns of energy production from shale formations, production sites being fractured, and production sites by company and market share. Examinations of hydrofracturing technology, including conventional, nonwater horizontal, staged fracks for hydrocarbon harvesting (zipper fracks), and gas-based fracking. Comprehensive company profiles of production site operators and fracking fluid suppliers.

STUDY GOALS AND OBJECTIVESSince the first commercial application of hydraulic fracturing to stimulate oil and gas production in 1946, the technology has developed into a reliable process that has found use in more than 1 million producing wells across the U.S. Today, 33.3% of gas production and 26.2% of oil production emanate from the shale resources that employed the use of hydraulic fracturing. Since the compound annual growth rate (CAGR) from 2013 to 2018 for shale gas and oil production from hydraulic fracturing will reach 5.4% and 8.3%, respectively, the market for the fracking fluids that comprise the technology has consequently grown in importance. Furthermore, industry experts estimate that 60% to 80% of all new and existing wells drilled will employ hydraulic fracturing to remain viable. Growing environmental and health concerns over the technology have pushed the oil and gas operators to seek new fracking fluid components that offer both financial and environmentally sustainable benefits. Thus, the nexus between the growing domestic energy production and increasing concern over the environmental and health concerns of the hydraulic fracturing technology have forced closer scrutiny of the market prospects for fracking fluid in the U.S. This report seeks to provide a breakdown of all the fracking fluid components, as well as projections for their markets from 2013 to 2018, using 2012 as the base year.
The major objectives of the report include:

- A summary analysis of energy production from shale resources.
- A review of the most widely used hydraulic fracturing techniques.
- A breakdown of the key components of fracking fluid.
- An estimation of the market projections from 2013 to 2018.
- An overview of the market drivers, industry structure and trends.
- A listing and review of the major suppliers of fracking fluids and production site operators in shale gas and oil.

**REASONS FOR DOING THE STUDY**

Advances in hydraulic fracturing over the past several decades have led to the resurgence of domestic energy production in the U.S. For the first time in U.S. history, projections of oil and gas production place the U.S. as the largest oil producer in 2017 and a net exporter of natural gas in the early 2020s. The uptick in production sees the highest growth rate in production of oil from the Bakken Shale under the states of North Dakota and Wyoming and gas production from the Marcellus Shale under the states of Pennsylvania, West Virginia, Ohio, Virginia and New York. Specifically, oil production in the Bakken Shale in North Dakota has reached nearly 750,000 barrels a day and industry experts claim that production may reach 2 million barrels a day by 2020. For gas production, the Department of Energy (DOE) estimates that the gas volume in the Marcellus Shale (the largest natural gas repository in the U.S.) exceeds 270 trillion cubic feet. Published reports indicate that the number of active wells in the Marcellus Shale will increase from 1,750 to at least 5,000 in the coming decades. With approximately 6,000 to 600,000 gallons of fracking fluid expended for each well, despite the headwinds, the market for fracking fluids in the U.S. offers strong growth prospects for years to come. Fracking fluids mainly consist of a major solvent such as water, a proppant (sand) and a number of various additives, which include gelling agents, iron controls, breaker fluids, corrosion inhibitors, friction reducers, surfactants, biocides, crosslinkers, acids, solvents, scale inhibitors, clay stabilizers and pH adjusters that all contribute to the efficiency of the fracking process.

The fracking fluids are forced down a well with high pressure, and aid in breaking through the porous rock formation that holds trapped oil and gas and facilitates their release and capture. Given the important role that the fracking fluids play in the hydraulic fracturing process, the study will not only provide an overview of the widely used hydraulic fracturing technologies in the U.S., but also present an assessment of the various components of fracking fluids, estimate their projections over the coming years and capture the industry structure, market drivers and major players in energy production and the chemical suppliers with the most influence in the fracking fluid industry. Since protests against the use of hydraulic fracturing have increased over the recent years, the need to study the market forces and growth detractors of fracking fluids in the market has consequently increased in urgency. Furthermore, the development of new technology that seeks to reuse fracking fluids and reduce the environmental footprint of the process adds to the support of this study since it will analyze each of the market headwinds.

In summary, this study of the U.S. fracking fluid market will provide:

- A critical review of one of the primary driving forces of domestic energy production for years to come.
- A closer look at the additive constituents that display the greatest opportunity for chemical suppliers.
- An analysis of the fracking fluids industry drivers and trends with the greatest influence over domestic energy production.

The information can help companies make informed decisions about their commodity chemical purchase habits as well as the decision to switch fuels (gas, oil or coal) for energy production.

**SCOPE OF REPORT**

This study provides a comprehensive overview of the fracking fluids market in the U.S., including the hydraulic fracturing technologies most widely used, and the amount and type of production, and presents market forecasts over the next five-year period (2013 to 2018) for each major component and the specific additives in use. The research covers the market drivers propelling the growth of the fracking fluid industry, the industry structure, trends, and the company profiles of the major production operators and fracking fluid suppliers for the U.S. domestic market. Extensive analysis of the production from each type of hydraulic fracturing technology supports the estimated production growth rates for the specific fracking fluids presented. BCC Research separates the market analysis into five distinct sections. The first section presents an overview of energy production from shale resources in the U.S. This section covers the production capacity of each fuel, gas, natural gas, and natural gas liquids across the domestic shale formations. The second section provides a top-level view of
the fracturing technologies that have the greatest influence over the usage of fracking fluids in the market. This section identifies the major hydraulic fracturing techniques most frequently used and presents their baseline fuel production level and production estimates over the next five years. The third section offers the capstone presentation of the relevant fracking fluids in the U.S. market and their revenues in millions of dollars and production in millions of pounds. The report displays sales values from 2012 and estimates of sales from 2013 to 2018. In the fourth section, BCC Research presents a diagram of the industry and analyzes the industry structure, market drivers and trends. The analysis covers the forces positioned to inhibit the growth of hydraulic fracturing in the U.S., including the sustainability, environmental and health concerns. The fifth and final section includes an extensive list of the major players in the industry, separated into three groups: the production site operators, the fracking fluid suppliers and the regulatory agencies by state.

INTENDED AUDIENCEOverall, this study applies to the energy production and chemical manufacturing industry sectors. The most relevant target audience within these sectors includes executives in the oil, gas and chemical engineering and supply sectors, directors, strategic planners, and sales and marketing managers. The data contained herein seeks to provide actionable information for the following groups: Investors, commodity-based traders, institutional traders, hedge funds. Manufacturers of production and monitoring equipment, chemical producers, distributors and retailers, mining operators. Research institutions, universities, government laboratories, market libraries. Government regulating agencies, state planning agencies. Companies that provide technical and/or marketing services to production site operators. Companies that are planning to enter the hydraulic fracturing market.

INFORMATION SOURCESThe study actively employed both primary and secondary research methodologies to acquire data and generate the rigorous analysis need for the study. Primary sources for information included interviews with industry executives, engineers, managers, consultants, marketing groups, non-profit industry watchdog groups and regulatory agencies. Secondary sources for information included: Energy Information Administration. U.S. Patent and Trade Mark Office. Company websites. Company annual reports. S&P Industry Survey. Dun & Bradstreet Business Directory. Data obtained from both primary and secondary sources fed the market and financial analysis. The author's own insights and rigorous use of numerical and statistical tools were employed to generate the forecasts and comprehensive analysis of the fracking fluids market segmented by fuel production type and region.

Chapter 1: INTRODUCTION STUDY GOALS AND OBJECTIVES
REASONS FOR DOING THE STUDY
SCOPE OF REPORT
INTENDED AUDIENCE
INFORMATION SOURCES
ANALYST CREDENTIALS
RELATED BCC RESEARCH REPORTS
BCC RESEARCH ONLINE SERVICES
DISCLAIMER

Chapter 2: SUMMARY
Table Summary: U.S. MARKET FOR FRACKING FLUID REVENUES, THROUGH 2018
Figure Summary: U.S. MARKET REVENUE FOR FRACKING FLUIDS, 2012-2018

Chapter 3: OVERVIEW
INDUSTRY DEFINITION
HISTORY AND DEVELOPMENT OF THE INDUSTRY
IMPORTANCE OF THE INDUSTRY
TECHNOLOGY LIFECYCLE
GOVERNMENT REGULATIONS
MARKET DRIVERS
MARKET HEADWINDS
FORESEEABLE FUTURE DEVELOPMENT
SOPPORTUNITY SUMMARY BY ENERGY TYPE

Chapter 4: FRACKING FLUIDS BY CONSTITUENTS
TYPES OF HYDRAULIC FRACTURING
TYPES OF FRACKING FLUIDS
FRACKING FLUID SYSTEMS
MARKET FOR FLUID COMPONENTS

Chapter 5: FRACKING FLUIDS BY REGIONAL SHALE MARKET APPLICATION
TYPES OF FORMATIONS
STATE-BASED FRACKING FLUID OPPORTUNITY
REGION-BASED FRACKING FLUID OPPORTUNITY
FRACKING FLUID OPPORTUNITY BY ENERGY TYPE
FRACKING FLUID OPPORTUNITY BY REGION

Chapter 6: INDUSTRY STRUCTURE AND TRENDS
INDUSTRY DIAGRAM
INDUSTRY DRIVING FORCES
INDUSTRY COMPETITIVE STRATEGIES
IMPORTANT SHIFTS IN THE INDUSTRY
INDUSTRY TRENDS

Chapter 7: COMPANY PROFILES
OIL AND GAS EXPLORATION AND PRODUCTION COMPANIES
FRACKING FLUID SUPPLIERS
COMPANY PROFILES

Chapter 8: APPENDIX
SIGNIFICANT RELATIVE PATENTS
REGULATORY AGENCIES
COMPANY INFORMATION

Chapter 9: BIBLIOGRAPHY


Contact Clare: clare@reportlinker.com US: (339)-368-6001 Intl: +1 339-368-6001

SOURCE Reportlinker
## DETAILS

<table>
<thead>
<tr>
<th><strong>Subject:</strong></th>
<th>Hydraulic fracturing; Energy policy; Petroleum industry; Fluid; Natural gas; Petroleum production; Growth rate; Hydraulics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Location:</strong></td>
<td>United States--US</td>
</tr>
<tr>
<td><strong>Publication title:</strong></td>
<td>PR Newswire; New York</td>
</tr>
<tr>
<td><strong>Publication year:</strong></td>
<td>2014</td>
</tr>
<tr>
<td><strong>Publication date:</strong></td>
<td>Apr 24, 2014</td>
</tr>
<tr>
<td><strong>Dateline:</strong></td>
<td>NEW YORK</td>
</tr>
<tr>
<td><strong>Publisher:</strong></td>
<td>PR Newswire Association LLC</td>
</tr>
<tr>
<td><strong>Place of publication:</strong></td>
<td>New York</td>
</tr>
<tr>
<td><strong>Country of publication:</strong></td>
<td>United States</td>
</tr>
<tr>
<td><strong>Publication subject:</strong></td>
<td>Business And Economics</td>
</tr>
<tr>
<td><strong>Source type:</strong></td>
<td>Wire Feeds</td>
</tr>
<tr>
<td><strong>Language of publication:</strong></td>
<td>English</td>
</tr>
<tr>
<td><strong>Document type:</strong></td>
<td>News</td>
</tr>
<tr>
<td><strong>ProQuest document ID:</strong></td>
<td>1518691782</td>
</tr>
<tr>
<td><strong>Document URL:</strong></td>
<td><a href="https://search.proquest.com/docview/1518691782?accountid=49936">https://search.proquest.com/docview/1518691782?accountid=49936</a></td>
</tr>
<tr>
<td><strong>Copyright:</strong></td>
<td>Copyright PR Newswire Association LLC Apr 24, 2014</td>
</tr>
<tr>
<td><strong>Last updated:</strong></td>
<td>2014-04-24</td>
</tr>
<tr>
<td><strong>Database:</strong></td>
<td>US Newsstream</td>
</tr>
</tbody>
</table>