

IN THE STATE OIL AND GAS BOARD OF MISSISSIPPI

DOCKET #161-68-13

ORDER NO. 207-68

IN RE: APPLICATION OF DORCHESTER
GAS PRODUCING COMPANY FOR
AMENDMENT OF THE SPECIAL FIELD
RULES FOR THE CARTHAGE POINT FIELD
IN ADAMS COUNTY, MISSISSIPPI.

This day this cause came on for hearing on the application of Dorchester Gas Producing Company for amendment of the Special Field Rules for the Carthage Point Field in Adams County, Mississippi, and the Board finds that due, proper and legal notice of the hearing of said docket by the Board at this meeting has been given in the manner and way provided by law and by the rules and regulations of this Board, and that due and proper proofs of publication of such notice are on file with the Board, and that the Board has full jurisdiction of this cause. The Board, having heard the evidence, finds as follows:

(1)

That Special Field Rules for the Carthage Point Field in Adams County, Mississippi, were promulgated by this Board at its August, 1952, Meeting, in Docket #87-52-13, by Order No. 130-52. That the said Special Field Rules for the Carthage Point Field in Adams County, Mississippi, were incorporated into the Petition filed herein by reference, and made a part thereof for all purposes.

(2)

That Dorchester Gas Producing Company prepared and submitted with its petition three proposed additional rules, to be designated Rule 4, Rule 5, and Rule 6 for the Carthage Point Field, which additional rules were made Exhibit "A" to said petition.

(3)

That Dorchester Gas Producing Company requests this Board to authorize the installation of a positive displacement type

meter to be used to commingle production in common storage for delivery of oil to the pipeline company transporting oil from the said field. That the positive displacement metering system proposed will provide accurate measurement of all volume produced and tested by the said meter. That adequate test equipment will be maintained to insure the accuracy of the entire system, and regular checks will be conducted by the operator on the lease equipment, and jointly by the operator and transporter or purchaser of the sales equipment.

That Dorchester Gas Producing Company is presently producing condensate and gas from its Armstrong #4 Well, which is producing from the lower Tuscaloosa Formation in said field, and is producing oil from its Armstrong #6 Well, which is producing from the Wilcox Formation in said field. That Dorchester Gas Producing Company desires to commingle the condensate and oil produced from these two wells, and proposes to install a positive displacement type meter to measure production before commingling such production. That production will then be commingled in a common storage system. That this system, when installed, will be of the same type now operated by other oil companies in Mississippi and other oil producing states, and has been proved to be accurate and dependable. That the use of the positive displacement type metering system, as herein described, will protect the co-equal and correlative rights of all of the interested parties in the Carthage Point Field.

IT IS, THEREFORE, ordered and adjudged that the Special Field Rules for the Carthage Point Field in Adams County, Mississippi, be, and they hereby are, amended so as to add the following additional special field rules:

RULE 4 - MEASUREMENT OF PRODUCTION.

The operator of each producing lease shall maintain proper separators and stock tanks and/or metering

devices and such connections thereto as are necessary to measure the total production from such lease. Where metering devices are used, the production may be commingled in a common storage system with production from other leases, horizons and/or fields in the vicinity. And if, upon a sale therefrom, a variance exists between the measurement from the common storage system and the total measurement of the production of all of the leases, horizons or fields commingled in such common storage system, then such variance shall be allocated back to each of the leases, horizons or fields producing into such common storage system proportionately to the production measured from such lease, horizon or field.

RULE 5 - EQUIPMENT FOR TESTS.

The operator of each producing lease on which there are two or more producing wells shall maintain proper separators and stock tanks and/or metering devices and such connections thereto as will permit the adequate testing of each individual well under usual operating conditions. Such separators, stock tanks and/or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE 6 - USE OF METERS.

A. The use of meters for testing and for measurement of production shall be subject to and in accordance with the following provisions:

1. Metering devices shall be of the positive displacement or positive volume type, which register the volume of oil passed through it in barrels or multiples thereof.
2. All meters shall be downstream of the necessary separating or treating vessels. All meters shall be

designed and installed in conformance with recognized metering practices, and acceptable to the Oil and Gas Board.

3. No meter used for oil production measurement shall be directly or indirectly by-passed in such manner as to permit oil from separate leases to pass into common storage without first being measured by said meter, including wells on test.

4. All meters and equipment affecting meter accuracy shall be kept in good working order. Each meter shall be calibrated periodically by means of a calibrated tank, a calibrated meter prover, or a master meter. Any deviations found shall be corrected by use of a proper meter factor.

ORDERED AND ADJUDGED this the 21st day of August, 1968.

MISSISSIPPI STATE OIL & GAS BOARD
By Robert M. Farlow
Chairman