

Amending

STATE OIL AND GAS BOARD
OF THE STATE OF MISSISSIPPI

IN RE: DOCKET NO. 34-62-122
ORDER NO. 88-62

Raleigh Field
Smith County,
Mississippi

ORDER APPROVING AMENDMENTS TO THE SPECIAL FIELD RULES FOR THE UNITIZED ZONE OF THE RALEIGH FIELD SO AS TO AUTHORIZE AUTOMATIC CUSTODY TRANSFER OF OIL PRODUCTION TO THE TRANSPORTER AND TO PROVIDE FOR THE USE OF METERS, TEST EQUIPMENT AND THE GENERAL OPERATION OF AN AUTOMATIC CUSTODY TRANSFER SYSTEM.

This day this cause came on for hearing at the regular April, 1962 meeting of the State Oil and Gas Board upon application of The California Company, a division of California Oil Company, a California corporation, Unit Operator of the Unitized Zone in the Raleigh Field, Smith County, Mississippi, requesting the Board to amend the Special Field Rules for the Unitized Zone of the Raleigh Field so as to authorize the installation and operation of an automatic custody transfer system which will automatically transfer custody of the oil produced from said Unitized Zone to the transporter and to authorize the installation and use of test equipment, samplers, meters and other necessary equipment for the general operation of an automatic custody transfer system and well testing facilities in said Unitized Zone, and after examining the Petition and Proofs of Publication and having considered all the evidence, both oral and documentary, the arguments of counsel and being fully informed in the premises, the Board finds as follows:

I.

Due, legal and sufficient notice of this meeting and of the hearing of this docket has been given for the time and in the manner prescribed by the statutes and by the rules and regulations of this Board and due, legal and sufficient proofs of publication of said notice are on file with the Board and the Board has full jurisdiction of the parties and of the subject matter.

II.

By its Petition The California Company is requesting authority to:

- (A) Install and operate in the Raleigh Field an automatic custody transfer system which will automatically
- (1) Test the oil produced from the Unitized Zone as to its basic sediment and water content;
 - (2) Take a continuous sample of said oil which will be used to determine the specific gravity and basic sediment and water content;
 - (3) Measure the amount of said oil by the use of meters which will print on a run ticket a cumulative total of all oil being transferred by such system to the purchaser; and
- (B) Install and operate meters to be used in the testing of wells in the Unitized Zone of the Raleigh Field.

III.

The Board finds that well test meters and automatic custody transfer facilities of the type which will be installed by The California Company for the Unitized Zone of the Raleigh Field have been authorized both by this Board and by the regulatory bodies and laws of other oil producing states and have been tested and proven to be accurate. The Board finds that the use of such test meters and automatic custody transfer facilities will prevent economic waste in that the capital investment for equipment will be lower and the operating costs will be less. Waste of the oil and gas resources of the State of Mississippi will be prevented because of a lesser amount of evaporation and the ultimate life of the field will be increased. The Board further finds that the co-equal and correlative rights of all interested parties in the Unit Area of the Raleigh Field will be protected by the use of such facilities.

IV.

The Board finds that the Petition of The California Company, a division of California Oil Company, to amend the Special

Field Rules for the Unitized Zone of the Raleigh Field should be granted in the manner and form hereinafter set forth:

IT IS, THEREFORE, HEREBY ORDERED AND ADJUDGED by the Mississippi State Oil and Gas Board that the Special Field Rules for the Unitized Zone of the Raleigh Field located in Smith County, Mississippi, which were promulgated on September 20, 1961, by Order No. 259-61, under Docket No. 186-61-122, are hereby amended by inserting new Rules numbered 4, 5 and 6 immediately following Rule 3, said new rules to read as follows:

RULE 4 - EQUIPMENT FOR TESTS

The Unit Operator of the Unitized Zone of the Raleigh Field 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 without the necessity of closing in any other well. Such separators, stock tanks and/or metering devices and connections thereto shall be subject to approval by the Supervisor.

RULE 5 - USE OF METERS

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

- A. 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.
- B. 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.

- C. No meter used for oil production measurement shall be directly or indirectly by-passed in such a manner as to permit oil to pass into common storage or transporter's pipe line without first being measured by said meter including wells on test.
- D. 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 deviation found shall be corrected by use of a proper meter factor.

RULE 6 - AUTOMATIC CUSTODY TRANSFER SYSTEM AUTHORIZED

An automatic custody transfer system which will automatically test, sample, measure and transfer the oil produced from the Unitized Zone from the Unit Operator to the transporter is hereby authorized for the Unitized Zone of the Raleigh Field.

Such automatic custody transfer system will be equipped with sampling devices which will take a representative sample of the total oil production passing through the system in order that the specific gravity and the basic sediment and water content can be determined.

The automatic custody transfer system will be equipped with metering devices of the positive displacement type which register the volume of oil passed through it in barrels or multiples thereof. In addition to meeting all of the requirements set out in Rule 5 above which deals with the use of meters, said automatic custody transfer metering devices shall be compensated for temperature and shall be so equipped as to provide an accounting of the total oil transferred by such system with an accuracy standard equivalent to the accuracy obtained in measurements made in

calibrated stock tanks.

ORDERED AND ADJUDGED this the 8 day of April, 1962.

MISSISSIPPI STATE OIL AND GAS BOARD

By _____
Chairman