

STATE OF ALASKA
ALASKA OIL AND GAS CONSERVATION COMMISSION
333 West Seventh Avenue
Anchorage, Alaska 99501

Re: Use of Multiphase Meters for Well Testing) Other Order No. 105
And Production Allocation Purposes.)
) July 16, 2015

IT APPEARING THAT:

1. On November 30, 2004 the Alaska Oil and Gas Conservation Commission (AOGCC) issued *Guidelines for Qualification of Multiphase Metering Systems for Well Testing* (MPM Guidelines), which provided guidance for how operators can qualify multiphase metering systems for use in well testing and production allocation service in their fields.
2. Following applications received under the MPM Guidelines the AOGCC has approved four different multiphase metering systems for well testing and allocation purposes in several fields: FMC Technologies Enhanced Multiphase System; Schlumberger Vx; Weatherford VSRD; and MPM Multiphase Metering System.
3. In September 2005 the American Petroleum Institute (API) adopted Recommended Practice 86 – *API Recommended Practice (RP) for Measurement of Multiphase Flow*, which contained generally recommended guidelines for using multiphase metering for well testing and allocation purposes.
4. In January 2013, the API adopted Manual of Petroleum Measurement Standards (MPMS) Chapter 20.3 – *Measurement of Multiphase Flow* which is applicable to well testing and production allocation. API MPMS Chapter 20.3 supersedes API RP 86.

FINDINGS:

1. AOGCC issued the MPM Guidelines in 2004 at a time when there was no industry standard or recommended practice for multiphase metering. Industry acceptance of and confidence in multiphase metering has increased substantially since that time to the extent that API has promulgated a standard for multiphase metering systems.
2. Three of the four multiphase metering systems approved for use by AOGCC have seen extensive service in multiple fields and under multiple flowing conditions.
3. Operators that have been approved to use multiphase metering for well testing and production allocation purposes have provided the AOGCC with routine reports on performance and operation of the meters.

CONCLUSIONS:

1. Multiphase metering is much more widely adopted for well testing and production allocation purposes than when the AOGCC first issued the MPM Guidelines.
2. Multiphase meters have been proven to provide adequate accuracy and reliability for well testing and allocation purposes.

3. The adoption of an industry standard on multiphase metering has provided a set of rules that did not exist when the AOGCC issued the MPM Guidelines.
4. Multiphase metering systems which comply with API MPMS 20.3 are presumptively compliant with 20 AAC 25.230.

NOW THEREFORE IT IS ORDERED:

Rule 1 – Applicability:

This order applies only to multiphase metering used to meet the well testing and allocation requirements of 20 AAC 25.230. Use of multiphase metering for any other purpose must be approved by the AOGCC on a case by case basis and the operator must demonstrate that conventional metering is not viable.

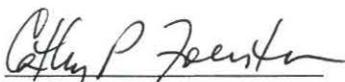
Rule 2 – Use of Multiphase Metering for Well Testing and Production Allocation Purposes:

Beginning with the effective date of this order, multiphase meters used for well testing and production allocation purposes which the operator can demonstrate meet the requirements of API MPMS 20.3 and have no more than +/- 5%, as calculated in accordance with Section 6 of API MPMS 20.3 (*Multiphase Measurement Uncertainty*), total system uncertainty under the expected flow conditions are presumptively compliant with 20 AAC 25.230 and do not require the submittal of an application in accordance with the MPM Guidelines. Multiphase metering systems which do not comply with API MPMS 20.3 or the total system uncertainty requirement must be approved in accordance with the MPM Guidelines.

Rule 3 – Maintenance:

Presumptively compliant multiphase metering systems must be operated and maintained in accordance with API MPMS 20.3 and the manufacturer's recommendations.

Done at Anchorage, Alaska and dated July 16, 2015.



Cathy P. Foerster
Chair, Commissioner



Daniel T. Seamont, Jr.
Commissioner



RECONSIDERATION AND APPEAL NOTICE

As provided in AS 31.05.080(a), within **20** days after written notice of the entry of this order or decision, or such further time as the AOGCC grants for good cause shown, a person affected by it may file with the AOGCC an application for reconsideration of the matter determined by it. If the notice was mailed, then the period of time shall be **23** days. An application for reconsideration must set out the respect in which the order or decision is believed to be erroneous.

The AOGCC shall grant or refuse the application for reconsideration in whole or in part within 10 days after it is filed. Failure to act on it within 10-days is a denial of reconsideration. If the AOGCC denies reconsideration, upon denial, this order or decision and the denial of reconsideration are **FINAL** and may be appealed to superior court. The appeal **MUST** be filed within **33** days after the date on which the AOGCC mails, **OR 30** days if the AOGCC otherwise distributes, the order or decision denying reconsideration, **UNLESS** the denial is by inaction, in which case the appeal **MUST** be filed within **40** days after the date on which the application for reconsideration was filed.

If the AOGCC grants an application for reconsideration, this order or decision does not become final. Rather, the order or decision on reconsideration will be the **FINAL** order or decision of the AOGCC, and it may be appealed to superior court. That appeal **MUST** be filed within **33** days after the date on which the AOGCC mails, **OR 30** days if the AOGCC otherwise distributes, the order or decision on reconsideration.

In computing a period of time above, the date of the event or default after which the designated period begins to run is not included in the period; the last day of the period is included, unless it falls on a weekend or state holiday, in which event the period runs until 5:00 p.m. on the next day that does not fall on a weekend or state holiday.