

La Plata ChevronTexaco wells sport new, sleek 'DynaPumps'

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By Indiana Reed For Energy Quarterly

DURANGO – The DynaPump, a relatively new, surface mounted hydraulic system that promises to revolutionize the oil and gas extraction business, has come to southwest Colorado, courtesy of ChevronTexaco.

Though executives with the international oil and gas giant are still evaluating the seven new DynaPumps in operation on wells on the Southern Ute Reservation and in other areas of southern La Plata County, if the system lives up to its hype, DynaPump will be a win-win for both oil and gas companies and the surface landowners living within drilling windows.

As the oil and gas companies have discovered in La Plata County, “the neighbors,” or those folks who happen to live on the land, don’t necessarily welcome the knock of the landman when he arrives to negotiate the drilling of a natural gas well.

“In these residential areas, people just don’ like looking at these pump jacks, and they don’t like hearing them,” said Dan Johnson, government and public affairs manager for ChevronTexaco, noting that the DyanaPumps are sleek, low profile and quiet. “But from our (company’s) point of view, we think they’re going to be more efficient. They’ll use less fuel. They use about 60 percent less fuel to pump, so they’re environmentally excellent. And they have a longer stroke, so they produce more water, and they have fewer strokes so they require less maintenance, yet they’re the same price (as traditional pumps), so how can you beat that?”

Actually, Dyna Pump claims the units cost half the price or less than the established technology, and the pump – which is made up of the hydraulic pump system and control and communication center with radio modem and advanced electronics – can be installed and operating in less than three hours.

Lower lifting costs are also part of the assertions – 50 percent or lower power consumption per barrel of fluid pumped. When using a natural gas engine driven system (as do two of ChevronTexaco’s) one-third the horsepower rating of a matching beam pump driver purportedly is required, thus producing an energy savings of approximately 70 percent.

Beyond operating expense reduction, maintenance costs are also touted as less, presumably because there is less physical wear and tear on the equipment. State-of-the-art computer technology enables units to practically run and monitor themselves.

Human intervention can be done from a distance as, earlier this year, DynaPump introduced the PumpPilot, the Palm-based user interface that enables pump managers to make speed adjustments; monitor loads, warnings and alarms; and create dynamometer cards all from a user-friendly handheld device.

Coalbed methane gas extraction is a relatively new application for DynaPump, Inc., based in Northridge, Calif., which began transforming the oil extraction business in 1993. Units are in operation on oil wells in Southern California, Texas, New Mexico, Utah, Colorado and Venezuela – and some claim to have exceeded the world record for total flow for a hydraulic system. Reportedly, the DynaPump has more than doubled oil production for customers, creating a payback in two months.

CNC Machining Magazine wrote of DynaPump as a “quantum leap” for an industry where technology “has remained virtually unchanged since American oil was first raised in the late 19th century.”

“There’s no question that we’re aware that these DynaPumps have the potential not only to respond to the community concern of the visibility and the noise . . . but at the same time be more economically efficient,” said Johnson, who stresses that ChevronTexaco maintains open communications with local citizens and tries to heed their concerns. “If this works it’ll be a real positive . . . When you can find that balance, that’s what you like . . . This coalbed methane gas benefits the community so much in the way of property taxes and schools, and as a result the company and the communities – but you still want to keep the complaints down low.”

ChevronTexaco completed installation of the units in June 2003, so for the company, it’s almost “too soon to tell” whether or not DynaPump’s assertions are correct.

According to Johnson, ChevronTexaco will continue to evaluate the DynaPump’s performance throughout the winter.

“Further use will be dependent on the need and the application that we have,” he said. “They’re not correct in every situation.”

(Though DynaPump would beg to differ, as different sized pumping and power units are matched to meet the specifications of each well. “The DynaPump is not a niche player, and can be used to advantage in every well application,” according to company marketing material.?)

As an independent company, Texaco had been active in the San Juan Basin for some 40 years prior to the merger, and Chevron has had an established presence in northwestern Colorado for roughly 50.

Today, ChevronTexaco operates several hundred wells in La Plata County.

Further information on DynaPump, Inc. is available on line at www.DynaPumpInc.com