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Chevron uses quieter pumps

More energy, economically efficient

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By Joe Hanel / *Herald Denver Bureau*

DENVER – Gas companies are slowly phasing out the most visible symbol of their industru – the giant metal teetertotters that pump natural gas out of the ground.

California-based Chevron has installed new pumps on 23 of its methane wells that are quieter, smaller, more energy efficient – and they pump more gas, too.

Chevron won an award from the Colorado Oil and Gas Conservation Commission in 2003 for installing the new pumps – made by a company called DynaPump – south of Durango. Since then, company spokesman Dan Johnson said, the technology has proved itself and Chevron has installed more of them.

"The technology is still fairly new in this basin," said Dan Larson, Durango spokesman for BP America. "We see it as another solution to dewatering the coal, particularly for wells that only need to be dewatered for a short time."

Water production is a byproduct of extracting coal-bed methane. Most of BP's 1,100 wells do not need a pump because natural pressure forces the water out, Larson said. The DynaPump is used in areas without this pressure. "Once you get the wells flowing, they will go on their own," Larson said.

BP accounts for more than half of all local gas production. But Chevron is an increasingly visible operator.

Until last year, the firm owned a fairly small piece of the gas-production game in La Plata County, with fewer than 60 wells – mostly on the Southern Ute Indian Reservation.

But last year, Chevron bought Unocal and inherited wells close to Grandview. Chevron has six local employees, said Johnson, who is based in Salt Lake City.

While the new pumps won't work for every well, Chevron plans to install them whenever it makes sense, Johnson said. It also plans to hook its pumps up to the electric grid, rather than noisy gas-powered generators on site.

County Commissioner Wally White, who lives next to one of Chevron's new wells, said the company told commissioners about its DynaPumps in a meeting a few weeks ago.

“They’re quieter, and they don’t look as bad and they don’t produce as much air pollution,” White said. “This is the kind of thing that we appreciate.”

But Chevron has bottom-line motivations beyond altruism. The company experimented with the DynaPumps until it was sure the pumps were cost-effective, Johnson said. The pumps cost between $37,000 and $180,000, depending on the size, according to DynaPump Inc.

The 23 new Chevron pumps in La Plata County are producing 5 percent to 20 percent more gas than the old pumps, Johnson said. They consume 20 percent less power, they are easier to install and they fail less often, he said.

Increased recovery is crucial for Chevron, which sustained a 10 percent fall-off in its local production from 2004 to 2005, according to COGCC records.

Other gas companies also are seeing declines as the San Juan gas basin matures, but Chevron’s was more pronounced. Production from La Plata County as a whole fell 2.5 percent from 2004 to 2005.

“This is industry-wide,” White said. “Everyone recognizes that this is a finite resource, and some of the older wells are tailing off in production.”

If the DynaPumps can boost production and make life more livable for neighbors, the county wins twice. White said that the county government depends on taxes from the gas industry for much of its budget.

In addition to installing high-tech pumps, Johnson said, Chevron is looking at a more common method to improve its take from the San Juan Basin – drill more wells.

He did not have details on plans for increasing the density of the company’s wells, but he said Chevron’s goal is to return its local operations to the production volume they enjoyed a few years ago, and they stay at that plateau for as long as possible.

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