

PNG Guideline 23 April 2003

Monthly Gas Measurement Exemption - Oil Wells

- 1 Section 68 of *The Oil and Gas Conservation Regulations*, 1985 requires that the operator of an oil well test the well each month to determine the rate of oil, water and gas production, unless otherwise approved. Upon application to the appropriate field office, the frequency of testing gas production from producing oil wells may be reduced to twice yearly for wells that meet the following criteria:
 - (a) Wells that produce, on average, less than 30 m³ of oil per month.
 - (b) Wells that produce at a gas-oil ratio of less than 90 m³/m³ as evidenced by 3 consecutive monthly tests filed with the appropriate field office on form EM-189.
 - (c) Wells that produce to a battery/satellite which has approved group gas measurement exemption.
- **2** Gas measurement exemptions are subject to the following conditions:
 - (a) Total or group gas production must be continuously measured at all multi-well batteries, unless otherwise approved by the respective field office.
 - (b) Satisfactory twenty-four hour test measurements of gas are made on each well twice yearly in the months of May and October and are reported to the Department.
 - (c) Monthly gas production must continue to be reported for each well on the Monthly Production Reports (EM-18) submitted to the department. The estimated gas production shall be calculated by using the gas-oil ratio from the most recent test.
 - (d) All wells must continue to be tested monthly to determine the oil and water production rates.
 - (e) No well shall be allowed to produce at a gas-oil ratio of greater than $3500 \text{ m}^3/\text{m}^3$.