First RPSEA Small Producer Solicitation

The pumpjack (this one is in the San Juan Basin) symbolizes PRRC’s commitment to the small oil and gas producers of New Mexico. The Small Producer Program of RPSEA is the latest expression of that commitment.

The PRRC will be spearheading an important new initiative that is part of a larger effort to fund energy research in the US (see PRRC Review, Winter 2006–2007). The Small Producer Program of the Research Partnership to Secure Energy for America (RPSEA) will offer a Request for Proposals early in September 2007. A pre-announcement has appeared on their website at http://www.rpsea.org, and the final solicitation will also be available from that location.

The RFP from the Small Producer Program seeks the development or innovative application of tools, technologies, and processes that will increase the value of mature or marginal fields, whose assets are typically held by small producers. These technologies must be aimed at reducing risk and thereby lowering costs and improving margins. They should be broadly applicable to regions of the US. Improved field management, best practices, and lower cost tools, including software, fall within the scope of this program.

Examples of projects that would benefit small producers might include improved techniques for management of produced water, improving recovery factors, reducing field operating costs minimizing environmental impacts of future development, cost-effective intelligent well monitoring and reservoir modeling methods, improved completion and recompletion methods, field tests of emerging technology, maximizing the value of existing well and field data and “data mining” to extract information from old records, and identifying old wells that would benefit the most from new, cost-effective technologies.

A key ingredient of the Small Producers Program is that researchers must actively involve the small producer community. All proposals must be submitted by consortia that either include small producers, or that are demonstrably organized for the benefit of small producers. RPSEA particularly hopes to involve any small producers whose operating assets are targeted by a research proposal. (continued on p. 2)
RPSEA Small Producers (cont’d)

RPSEA is a consortium with more than 100 members that has established and coordinates a research program focused on hydrocarbon recovery from U.S. reservoirs. Mark Murphy, of Stratata Production in Roswell, NM, serves as Chair of the RPSEA Board of Directors.

RPSEA manages the Ultra-Deepwater and Unconventional Natural Gas and Other Petroleum Resources Program, funded by U.S. DOE/NETL. The Program is charged with maximizing the value of natural gas and other petroleum resources in the United States. The Small Producer Program is a component of this larger effort, and one that will be responsible for developing and administering solicitations for R&D projects that target technology needs of small producers (defined as <1000 barrels of oil equivalent per day).

The Small Producer Program team leader is Dr. Robert Lee, PRRC Director, and Martha Cather, leader of PRRC’s Industrial Services and Outreach Group, is the Coordinator. The Small Producer Program is governed by a Research Advisory Group (RAG) chaired by Brook Pifer of Colorado. Jeff Harvard, of Harvard Petroleum in Roswell, has also agreed to serve on the RAG as a representative of New Mexico small producers. Members are all industry or academic representatives, with strong ties to the small producer community in each producing region of the US.

**PTTTC Regroups; Southwest Region Out**

Since 1994, the Petroleum Technology Transfer Council (PTTC) has been a NETL-sponsored organization dedicated to tech transfer to benefit the small oil and gas producers of the US, primarily through workshops of regional interest.

Recently the PTTC has been gearing up for some big changes (*PRRC Review*, Winter 2006–2007), due primarily to changing priorities in funding, leading to the withdrawal of support for technology transfer in mature onshore basins. This summer, the American Association of Petroleum Geologists (AAPG) and PTTC agreed that AAPG would take over management of PTTC activities (see PTTC’s website at [http://www.pttc.org/](http://www.pttc.org/) for more information).

The PRRC has been the Regional Lead Organization (RLO) for the Southwest Region of the PTTC (New Mexico and Arizona) since PTTC’s inception. Reconfiguration of the PTTC regions in conformance with AAPG’s seven regions, however, has eliminated PTTC’s SW region, headquartered at the PRRC. New Mexico is now divided between the Rocky Mountain Region in the north and the Texas–New Mexico region in the south.

Martha Cather, Industrial Outreach Group lead and longtime PTTC program coordinator for the SW RLO at PRRC, says:

“The PTTC helped us build valuable connections with our local oil and gas industry. The state’s petroleum producers told us their technology needs, and we tried to help them, whether it was difficulty in accessing data, or a desire to learn more about hydraulic fracturing.

“While we will greatly miss the support provided by PTTC, we have no intention of abandoning our mission of helping the state’s oil and gas industry in any way that we can. We are maintaining our Producer’s Advisory Group, who will continue to give us insight into research directions as well as the more mundane but vital data accessibility issues.

“We’ll be making efforts to secure other funding to keep our data and website activities going. Also, we have always worked closely with other PTTC RLO’s, and I have already talked about doing some cooperative work with our colleagues in Midland who will be taking over the Permian Basin duties.”

Cather and the Southwest RLO Director Robert Lee both want to extend their thanks to the local Producer’s Advisory Group members, especially previous chair Dr. Dave Boneau and the current chair T. Greg Merrien. They have given a great deal of time and energy over the years to the PTTC mission. Also, they want to express appreciation to Lance Cole for his efforts to keep the PTTC organization working smoothly and for helping to oversee its transition to a new entity.
Publications, Presentations


Unnikrishnan, V.: “Calibration of Log-derived Permeability Using Core Data for the Dakota Sandstone, San Juan Basin”, M.S. independent study, NMIMT, Socorro, NM (June 2007)


The PRRC is a state-supported center that conducts research on improving methods of recovering crude oil and natural gas and that transfers petroleum technology to domestic oil producers. Funding for the PRRC comes from three sources: the state of New Mexico, the federal government (Department of Energy), and private industry.

New Mexico’s producing wells show a steady increase since 1995. For these data and many more from the NM OCD’s files, see their website at http://www.emnrd.state.nm.us/ocd/Statistics.htm or link from our GO-TECH website at http://octane.nmt.edu