

Midstream

## Startups and Operational Challenges

Over the last few years, the growth of the North America shale industry has emphasized greater urgency for the development of midstream assets, creating more takeaway capacity. Managing a midstream startup and the growth associated with a project of this type can pose significant challenges.

Startup groups may lack the measurement expertise required for proper allocation and accounting. In this case, it is important to consult a measurement expert who is well versed in hydrocarbon measurement, as well as production allocation, before setting up the system for production. A properly designed system should account for flash gas and retrograde condensate due to phase changes, as well as fuel, flare, and vent gas.



Properly designed metering is vital to system balance and a key consideration for allocation development. The allocation process should comply with API MPMS Chapter 20, which ensures that all parties are treated equitably, provides uniform procedures and fixed methods for problem-solving, and is verifiable.

When midstream assets are purchased, it is important that a measurement system health check (also known as an audit or system review) be performed on these assets. This check determines that the measurement system in place adheres to API, GPA, and AGA standards and also verifies that the policies and procedures for measurement and sampling practices are in compliance with these standards, as well governmental regulations and contractual obligations.

For more information on auditing and consulting services that meet the needs of midstream companies, contact SPL's technical experts today at **877-775-5227**, or visit **[www.spl-inc.com](http://www.spl-inc.com)** to learn more.