Production - Natural Gas STAR Annual Report - 2006

Company Information

Company Name: **Murphy Exploration and Production Company**

Gas STAR Contact: **Don Evans**

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Company Information Updated: Yes

10/11/07
Partner never submitted officially - just for our internal records - see Access notes

Activities Reported

BMP1: Yes BMP2: Yes BMP3: No

Total Methane Emission Reductions Reported This Year: **0**

Previous Years' Activities Reported: **No**

Period Covered by Report

From: **01/01/2006** To: **12/31/2006**

Additional Comments

Murphy Exploration and Production Company
BMP1: Identify and Replace High-Bleed Pneumatic Devices

Current Year Activities

A. Facility Summary

Number of devices replaced this reporting period: **0 devices**
Percent of system now equipped with low/no-bleed units: **100 %**

B. Cost Summary

Estimated cost per replacement (including equipment and labor): **$ 0**

C. Methane Emissions Reduction

Method Used: _____
Data Source:
Methane Emissions Reduction: _____ **Mcf/year**

D. Duration of Activity

Number of years that methane emissions reductions will be realized: **10 years**

E. Total Value of Gas Saved

Value of Gas Saved: **$** _____
$ / Mcf used: **$ 7.00**

F. Planned Future Activities
Number of high-bleed devices to be replicated next year: **0 devices**

Previous Years' Activities

Year	Number of Devices	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of replacements (including equipment and labor)

Additional Comments

For 2006, Murphy operated two production facilities in deepwater areas of the Gulf of Mexico. Both facilities are only a few years old and have only used compressed air for pneumatic devices since first production.

Murphy Exploration and Production Company
BMP2: Install Flash Tank Separators on Glycol Dehydrators

Current Year Activities

A. Facility Summary

Number of flash tank separators installed this reporting period: **0 flash tanks**
Percent of dehydrators in system equipped with flash tank separators: **100 %**

B. Cost Summary

Estimated cost per flash tank separator replacement (including equipment and labor): **$ 0**

C. Methane Emissions Reduction

Method Used: **Standard Calculation**
Data Source: **Field measurement**
Methane Emissions Reduction: _____ **Mcf/year**

Flash Tank Installation Number	TEG circulation rate (gal/hr)	Methane entrainment rate (scf/gal)	Hours of operation (hrs/yr)

Total # Flash Tanks Installed: **2**

D. Duration of Activity

Number of years that methane emissions reductions will be realized: **10 years**

E. Total Value of Gas Saved

Value of Gas Saved: **$** _____
$ / Mcf used: **$ 7.00**

F. Planned Future Activities
Number of flash tank separators to be installed next year: _____ **flash tanks**

Previous Years' Activities

Year	# of Flash Tank Separators Installed	Total Cost * ($)	Estimated Reductions (Mcf/Yr)	Value of Gas Saved ($)

* Total cost of installations (including equipment and labor)

Additional Comments
For 2006, Murphy operated two production facilities in deepwater areas of the Gulf of Mexico. Both facilities are only a few years old and are equipped with vapor recovery units (VRU) which have captured emissions from the glycol units since first production.

Murphy Exploration and Production Company
Additional Accomplishments

For 2006, Murphy E&P has concentrated on designing and operating our two, relatively new deepwater platforms so that CO2 and CH4 emissions are minimized. Since our sale of our older, shelf facilities, offshore operations remain confined to the two deepwater facilities. Our long-term onshore facilities were reviewed for emissions reduction opportunities as part of Murphy's GHG Emissions Reduction Program and our membership in the Natural Gas STAR Program. Annual reviews of practicable ways to cut emissions continue, but have produced no new opportunities. Minimizing emissions of all GHGs is part of the Murphy philosophy used in designing new facilities.

Construction is currently in progress for a new facility to be installed in the deepwater Gulf of Mexico in late 2008. This new facility will also be equipped with a vapor recovery unit (VRU) to capture emissions that otherwise, would escape to the atmosphere and will also use compressed air for pneumatic devices.