SWEENY – OLD OCEAN PETROLEUM INDUSTRY

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Sweeny's present and future is closely allied with the petroleum industry. The town site of Sweeny is located wholly within the largest voluntarily untimed oil and gas field in the United States.

Pan America Petroleum Corporation is the unit operator of the field that also has the second largest absorption and compressor plant in the Gulf Coast area.

The company's virtually new plant in the Old Ocean field was completed in November 1960. The first processing plant was constructed in 1938, just four years after J.S. Abercrombie brought in the discovery well in the field.

Subsequent drilling following the first well in 1934 led to the discovery of four major reservoir all of which are part of the Frio Formation. The reservoirs in the order of their discovery are: Armstrong at a 10,000 foot depth in 1936, Campbell at 10,300 feet in 1937; Larsen at 10,600 in 1937 also; the Chenault at 9,700 feet in 1937.

The discovery of the oil field changed the sleepy, farming village from a sparsely settled community to a thriving oil field town in a relatively short time. Residents soon became familiar with the oil field jargon of the "roughnecks" and "Christmas tree" muddy khaki-clad men wearing tin hats and the field boots and board roads that spanned the swamps leading to drilling locations infant the advent of the oil field introduced to the community and its residents a completely new concept of life.

The 1960 census reports counted 3007 within the corporate limits of the city, with a total of 7,000 residing in the trade area of Sweeny.

Thinking in terms of the past, and looking at the present, perhaps the most startled citizen would be - - if they could view the changes wrought – would be William and Thomas Sweeny, for whom the town was named, and who sold a load of mules to raise the capital to purchase the acreage that is now the town site of Sweeny.

Pan American Petroleum Corporation who became unit operators of the field in 1954, are the largest single taxpayer both on the city's tax rolls and on the school districts rolls. The company provides 50 % of the total tax revenue of the city and approximately 54% of the tax revenue for the multimillion dollar school system. Boosting the economy of the town and the school even further is the taxes paid by paid by the royalty owners of the field.

The Old Ocean field characterized by engineers as "one of the most unusual and complex fields" in Texas was unitized in 1948. The unitization of the field was accomplished after two years of study by the J.S. Abercrombie Company then the unit operator and the Old Ocean Royalty Owners Association.

The unit plan which allows the operator to recover more ultimate productivity from the field's vast natural resources, also increased the effective operations of the field on a broader economic basis.

When the unitization there were 585 of the royalty owners (over 93%) and 10of the leasehold operators (98%) who were involved in the terms of the agreement, that incidentally required a total of 129 printed letter-size pages in the description of the leases and minerals lands.

The Oil and Gas Journal printed two articles on the Old Ocean field in their 1948 September issue. The articles said of the field at that time ---"the nation's largest voluntary unit and the world's two largest separation stations installed in the Gulf Coast field."

The detailed technical articles told of the major benefits derived from the unitization program which included several factors dealing with the stabilization of all liquids hydrocarbon production with a larger recovery of products which were previously being lost to the atmosphere.

Also pointed out in the article was the fact "that proper choice of producing wells will permit the recovery of oil with the expenditure of a minimum amount of energy by producing a low gas-oil ratio wells, thus reducing the amount of gas necessary for reinjection and the corresponding operating cost and thereby extending the economic limit and further increasing the ultimate recovery from the field.

An interview with company officials revealed that these facts hold true today. Revisions and additions by the operator of the unit have been a continuing process toward the goal of higher productivity of the field's natural resources while holding the operation costs to a minimum.

Too, we learned that another major factor in the field's operations had been efforts toward conservation of these resources in order not to deplete the field. Gas injection to conserve the reservoir energy was instituted as early as 1933.

The unique feature of the field's operation was pointed out by F.L. Nelson, area production superintendent, to the facts reporter.

Nelson said, "The centralization of the field brought about by the unitization program enables us to operate more effectively and economically." The largest of the two separation stations -- the BRLD – had 145 wells flowing into the separator. The smaller of the two the Ashley Wilson Station -- is tied to 91 of the wells.

"The gathering system of the wells that flow into the centralized separators allows us to obtain the best oil and gas measurements, enables us to secure adequate safety operation, increases the operating efficiency, and eliminates evaporation looses which contributes further to the economy of operations," he said.

Other key personnel besides Nelson is the company's production field includes H.H. Harrington, area engineer, and E.J. Rosser, area office manager. There are more that 100 employees engaged in the fields production operations.

Plant Superintendent Weldon Bailey told the reporter that the primary purpose of the new plant was to increase the output capacity to enable the company to provide a North Texas utility company. He said, "The hydrocarbon available from this processing plant are the feed-stock for the petro-chemical industry. The company's ethane product – for which we had not anticipated a marketable product –was sold while the plants plans were still on the drawing board.

We also learned that the Dow Chemical Company at Freeport is a customer for their propane product and the Sweeny's Phillips plant buys some of their crude oil.

Bailey would not hazard to guess on the length of time the field would have a great value of productivity, but he did tell the reporter that – "based on long range study plans, indications are that the field will continue strong for a great many years yet."

When the same question on the field's eventual depletion was posed to Nelson he smiled and wryly replied, "Well, just let me put it this way—probably neither you are I will be here when that time comes."

The gasoline plant employees 92 persons, key personnel there, besides Bailey includes John Hancock, plant engineer and C.V. Edwards, plant maintenance foreman.

The company employee "take home" pay adds considerably to the town's economy, but only represents a portion of the economic resources derived from the Old Ocean oil and gas field. Royalty owners, some of them are local residents, spend sizeable royalty checks with local business men, and they, too are taxpayers in the community.