



■ One month after moving into its facility, SEC received this used Waukesha 7042/Ariel JGK/4 offshore package from El Paso Natural Gas (left). In just three weeks, SEC completely remanufactured the package. It is shown on the right being loaded for shipment back to the customer.

NEW COMPANY OFFERS STANDARD GAS COMPRESSOR PACKAGES

Standard Equipment Company Energy Products & Services, L.P. Intends to Provide High-Value, Cost-Efficient Equipment for Rental Fleets and Oil and Gas Operators

By Norm Shade

“The landscape is changing and we feel that the market is ready for a significant new player,” said Bo Pierce, principal, Standard Equipment Company Energy Products & Services, L.P. (SEC) of Waller, Texas, U.S.A.

“With the dynamics of the market today, we are seeing a number of new start-up rental companies, including some of the operating companies that are forming their own fleets. We expect this trend to continue. Furthermore, during the last downturn, we saw a substantial consolidation of the packaging capacity in the market, creating a gap with demand. We intend to be the gap-closer. SEC is here to provide quality gas compression equipment that is designed to give the lowest long term cost of ownership to rental fleet operators and oil and gas producers,” he said.

“Our team comes with many decades of experience. We’ve had the opportunity to be inside a lot of different companies and see a lot of processes. We want to take

the best of this knowledge and invest in it. We want to add value to our industry and our clients by providing the best manufactured gas compressor packages possible. Excluding the cost of the engine, compressor, cooler and panel, the rest of the package content is typically only 25% of the total cost; so if you make it cheaper, you remove quality and you ultimately compromise the value and quality that’s built into the OEM equipment. The quality of the manufactured package is important to maintaining its long term value. Built and designed properly, standard equipment can be a very competitive value. Our intent is to redesign the market. It’s about the manufacturing process, overhead and understanding the equipment. For most companies, packaging is a sideline — a vehicle to sell equipment, parts, or service, or a way to feed their rental fleets. For SEC, it’s our business,” explained Pierce.

Often the gas compression operating conditions that are

specified at the time of an order are not what are actually encountered in service and even if they are, the conditions often change in a short period of time as wells deplete or new wells come on-line. As conditions change, the compressor configuration is often mismatched for the application, leaving the compressor operating inefficiently.

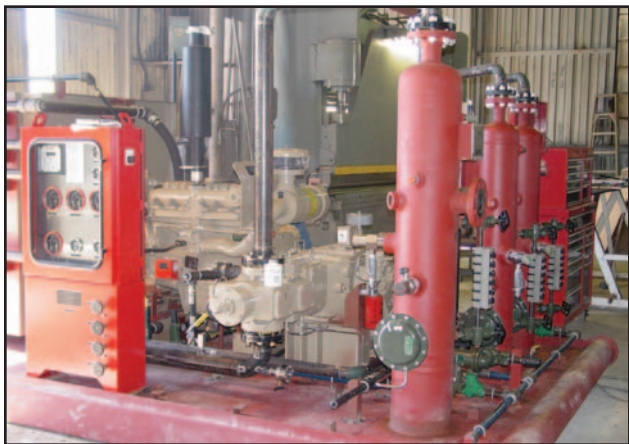
“One way that we intend to reduce the long term cost of ownership is to provide RDF — reliable, dependable and very flexible — gas compression equipment to meet changing, dynamic conditions with little or no modification to the equipment,” said Gary Hyde, principal.

“We want to manufacture a line of standard compressor packages that don’t cut corners, are flexible and are built to last. However, to meet client’s specialized needs, we can adapt and modify standard and stock equipment and also provide an engineered product. Our focus is on keeping our costs down to make our prices competitive,

and to use every bit of resource available to deliver high-value/low-risk compressor packages to fleets and producers,” he added.

Incorporated as a business in July 2003, SEC entered its current facility in late October and shipped its first package in mid-December. Located in northeast Houston, Texas, U.S.A., it includes 36,000 ft.² (3344 m³) of main assembly shop with a total of 80 tons of crane capacity on 8 acres (3.2 ha) of stabilized yard. In addition to the assembly shop, the operation has welding, metal brake and shearing, and sandblast capabilities as well as an 8000 ft.² (743 m³) indoor paint facility. Although pressure vessel manufacturing is currently subcontracted, SEC indicated that they are in the process of getting ASME certification in order to build their own coded pressure vessels.

“As our business develops, we have plans to build a new facility, ideally suited to the manufacture of gas compressor packages, in northwest Houston, the heart of the gas



■ This Gemini M302 three-stage package driven by an Arrow VRG330 gas engine, destined for MidCon Compression, L.P. in Oklahoma City, U.S.A., can be operated in either two-stage or three-stage service to cover a suction pressure range of 10 to 230 psig (0.7 to 15.9 bar) and a discharge pressure range of 600 to 1200 psig (41.4 to 82.7 bar) in 100 psig (6.7 bar) increments.

patch,” said Pierce.

SEC offers gas compressor packages from 30 to 5000 hp (22 to 3729 kW) with Gemini or Superior separable reciprocating compressors; Arrow, Caterpillar, Cummins or Waukesha gas engines; air-x-changer coolers; and FWMurphy or Altronic control panels. In addition, they are an authorized distributor of Ajax integral engine compressor packages.

“SEC will also be big in small horsepower units,” said Steve Sims, another member of SEC’s leadership team. Sims indicated that the company will soon be offering rotary screw gas compressor packages as well as reciprocating packages. “We’re going to set a new standard, with a competitive price that gives our clients the best long term investment by lowering their overall operating cost,” he added.

The SEC team is off to a credible start. One month after moving into their facility, they received a used Waukesha 7042/Ariel JGK/4 offshore (Gulf of Mexico) package to be remanufactured for El Paso Natural Gas. SEC remanufactured the engine and all throws and cylinders on the compressor, removed all threaded piping, replaced all controls, instrumentation and valves, modified the piping, cleaned, reassembled, completely repainted and shop tested the package in just three weeks. “Remanufacturing is a key part of our long range business plan, as it’s an important part of providing our clients with long term value from their investments,” said Hyde.

The first new packages manufactured by SEC include four with Gemini M302 three-stage packages driven by Arrow VRG330 gas engines that exhibit some of the flexibility and value that the company intends to provide in its standard products. The compressor cylinders are a 4.5 in. (11.4 cm) double-acting first stage

along with a tandem 4 in. (101.6 cm) head end and 2.5 in. (63.5 cm) crank end cylinder. The compressors can be operated in either two-stage or three-stage services to cover a suction pressure range of 10 to 230 psig (0.7 to 15.9 bar) and a discharge pressure range of 600 to 1200 psig (41.4 to 82.7 bar) in 100 psig (6.7 bar) increments. The packages include FWMurphy control panels and forced draft air-x-changer coolers with vertical discharge to keep heated cooler air from being drawn into the engine in-

takes. One of these packages is destined for MidCon Compression, L.P. in Oklahoma City, U.S.A.

Another new SEC package includes a Caterpillar G3304 gas engine driving a Gemini M302 in a configuration similar to the aforementioned packages. SEC indicated that they produce an AutoCAD general arrangement drawing of each package design, which is used to manufacture the package components and complete the assembly. When the package assembly is completed, they carefully document the as-built configuration and produce as-built drawings for future reference.

“We’re the new expansion team and we focus on the value and achievements of our team members,” said Pierce as he picked up a symbolic football helmet embossed with the SEC logo. “We emphasize to each team member that what they do counts, that they’re important to the team, and that we want them to be fulfilled by what they do here. All of our employees will have the opportunity to be owners of the company; we want to push ownership down into the company as far as possible.”

SEC is a member of the Gas Compressor Association. Hyde said that although SEC is not a compression rental company, they can offer rental contracts on new packages through their distributors and agents. In addition to gas compression packages, the company plans to offer production equipment and generator sets. He indicated that they are currently seeking certified warranty/aftermarket service providers along with distributors and agents for their products and services. “We’ve been pleasantly surprised with the interest and support that we’ve received from OEMs and customers. This is the industry that we know, and we intend to make an impact,” concluded Pierce. ■