

## Minerals Management Service, Interior

## § 250.1203

(k) *What are the requirements for liquid hydrocarbon allocation meters?* For liquid hydrocarbon allocation meters you must:

(1) Take samples continuously proportional to flow or daily (use the procedure in the applicable chapter of the API MPMS as incorporated by reference in 30 CFR 250.198;

(2) For turbine meters, take the sample proportional to the flow only;

(3) Prove allocation meters monthly if they measure 50 or more barrels per day per meter; or

(4) Prove allocation meters quarterly if they measure less than 50 barrels per day per meter;

(5) Keep a copy of the proving reports at the field location for 2 years;

(6) Adjust and reprove the meter if the meter factor differs from the previous meter factor by more than 2 percent and less than 7 percent;

(7) For turbine meters, remove from service, inspect and reprove the meter if the factor differs from the previous meter factor by more than 2 percent and less than 7 percent;

(8) Repair and reprove, or replace and prove the meter if the meter factor differs from the previous meter factor by 7 percent or more; and

(9) Permit MMS representatives to witness provings.

(l) *What are the requirements for royalty and inventory tank facilities?* You must:

(1) Equip each royalty and inventory tank with a vapor-tight thief hatch, a vent-line valve, and a fill line designed to minimize free fall and splashing;

(2) For royalty tanks, submit a complete set of calibration charts (tank tables) to the Regional Supervisor before using the tanks for royalty measurement;

(3) For inventory tanks, retain the calibration charts for as long as the tanks are in use and submit them to the Regional Supervisor upon request; and

(4) Obtain the volume and other measurement parameters by using correction factors and procedures in the

API MPMS as incorporated by reference in 30 CFR 250.198.

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### § 250.1203 Gas measurement.

(a) *To which meters do MMS requirements for gas measurement apply?* MMS requirements for gas measurements apply to all OCS gas royalty and allocation meters.

(b) *What are the requirements for measuring gas?* You must:

(1) Submit a written application to, and obtain approval from, the Regional Supervisor before commencing gas production or making changes to previously approved measurement procedures.

(2) Design, install, use, maintain, and test measurement equipment to ensure accurate and verifiable measurement. You must follow the recommendations in API MPMS as incorporated by reference in 30 CFR 250.198.

(3) Ensure that the measurement components demonstrate consistent levels of accuracy throughout the system.

(4) Equip the meter with a chart or electronic data recorder. If an electronic data recorder is used, you must follow the recommendations in API MPMS as referenced in 30 CFR 250.198.

(5) Take proportional-to-flow or spot samples upstream or downstream of the meter at least once every 6 months.

(6) When requested by the Regional Supervisor, provide available information on the gas quality.

(7) Ensure that standard conditions for reporting gross heating value (Btu) are at a base temperature of 60 °F and at a base pressure of 14.73 psia and reflect the same degree of water saturation as in the gas volume.

(8) When requested by the Regional Supervisor, submit copies of gas volume statements for each requested gas meter. Show whether gas volumes and gross Btu heating values are reported at saturated or unsaturated conditions; and

(9) When requested by the Regional Supervisor, provide volume and quality

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statements on dispositions other than those on the gas volume statement.

(c) *What are the requirements for gas meter calibrations?* You must:

(1) Calibrate meters monthly, but do not exceed 42 days between calibrations;

(2) Calibrate each meter by using the manufacturer's specifications;

(3) Conduct calibrations as close as possible to the average hourly rate of flow since the last calibration;

(4) Retain calibration reports at the field location for 2 years, and send the reports to the Regional Supervisor upon request; and

(5) Permit MMS representatives to witness calibrations.

(d) *What must I do if a gas meter is out of calibration or malfunctioning?* If a gas meter is out of calibration or malfunctioning, you must:

(1) If the readings are greater than the contractual tolerances, adjust the meter to function properly or remove it from service and replace it.

(2) Correct the volumes to the last acceptable calibration as follows:

(i) If the duration of the error can be determined, calculate the volume adjustment for that period.

(ii) If the duration of the error cannot be determined, apply the volume adjustment to one-half of the time elapsed since the last calibration or 21 days, whichever is less.

(e) *What are the requirements when natural gas from a Federal lease on the OCS is transferred to a gas plant before royalty determination?* If natural gas from a Federal lease on the OCS is transferred to a gas plant before royalty determination:

(1) You must provide the following to the Regional Supervisor upon request:

(i) A copy of the monthly gas processing plant allocation statement; and

(ii) Gross heating values of the inlet and residue streams when not reported on the gas plant statement.

(2) You must permit MMS to inspect the measurement and sampling equipment of natural gas processing plants that process Federal production.

(f) *What are the requirements for measuring gas lost or used on a lease?* (1) You must either measure or estimate the volume of gas lost or used on a lease.

(2) If you measure the volume, document the measurement equipment used and include the volume measured.

(3) If you estimate the volume, document the estimating method, the data used, and the volumes estimated.

(4) You must keep the documentation, including the volume data, easily obtainable for inspection at the field location for at least 2 years, and must retain the documentation at a location of your choosing for at least 7 years after the documentation is generated, subject to all other document retention and production requirements in 30 U.S.C. 1713 and 30 CFR part 212.

(5) Upon the request of the Regional Supervisor, you must provide copies of the records.

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**§ 250.1204 Surface commingling.**

(a) *What are the requirements for the surface commingling of production?* You must:

(1) Submit a written application to, and obtain approval from, the Regional supervisor before commencing the commingling of production or making changes to previously approved commingling applications.

(2) Upon the request of the Regional Supervisor, lessees who deliver State lease production into a Federal commingling system must provide volumetric or fractional analysis data on the State lease production through the designated system operator.

(b) *What are the requirements for a periodic well test used for allocation?* You must:

(1) Conduct a well test at least once every 2 months unless the Regional Supervisor approves a different frequency;

(2) Follow the well test procedures in 30 CFR part 250, Subpart K; and

(3) Retain the well test data at the field location for 2 years.

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**§ 250.1205 Site security.**

(a) *What are the requirements for site security?* You must: