



U.S. Department
of Transportation

1200 New Jersey Avenue, SE
Washington, DC 20590

**Pipeline and Hazardous
Materials Safety Administration**

June 10, 2024

Mr. Sam Hanna
Pipeline Operations Manager
Hanna Oil and Gas Company
60 S 6th Street
Fort Smith, AR 72901

Dear Mr. Hanna:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA), dated October 3, 2023, you requested an interpretation of the Federal pipeline safety regulations in 49 Code of Federal Regulations (CFR) Part 192 with respect to a change in classification of an 8-inch diameter natural gas pipeline in Arkansas from a transmission line to a gathering line.

You stated Hanna Oil and Gas Company's Arkoma Main Sales 8-inch diameter pipeline directly connects to Enable "Line O" Transmission pipeline 8.3 miles away from your central compressor station. You also stated that the Arkoma Main Sales 8-inch diameter pipeline was installed in October of 2001. In addition, you provided your pipeline layout on aerial photos and referred to the latest definitions from American Petroleum Institute (API) Recommended Practice (RP) 80 Second Edition (March 2020).¹ You stated this pipeline is currently classified as a Class 1 location transmission pipeline under Part 192 regulations. You asked, based on the November 15, 2021, Gas Gathering Pipelines final rule, whether this pipeline should be regulated as a Type C regulated gas gathering pipeline.

To respond to your request, the current, relevant portions of §§ 192.8 and 192.9 are reprinted below:

§ 192.8 How are onshore gathering pipelines and regulated onshore gathering pipelines determined?

§ 192.8(a)(4) The endpoint of gathering, under section 2.2(a)(1)(D) of API RP 80, may not extend beyond the furthestmost downstream compressor used to increase gathering line pressure for delivery to another pipeline.

§ 192.8(a)(5) For new, replaced, relocated, or otherwise changed gas gathering pipelines installed after May 16, 2022, the endpoint of gathering under sections 2.2(a)(1)(E) and 2.2.1.2.6 of API RP 80 (incorporated by reference, see § 192.7)—also known as

¹ 1st edition (April 2000) of API RP 80 is incorporated by reference in Part 192

“incidental gathering”—may not be used if the pipeline terminates 10 or more miles downstream from the furthestmost downstream endpoint as defined in paragraphs 2.2(a)(1)(A) through (a)(1)(D) of API RP 80 (incorporated by reference, see § 192.7) and this section.

§ 192.8(c) For purposes of Part 191 of this chapter and § 192.9, the term “regulated onshore gathering pipeline” means:

(1) Each Type A, Type B, or Type C onshore gathering pipeline (or segment of onshore gathering pipeline) with feature described in the second column of table 1 to paragraph (c)(2) of this section that lies in an area described in the third column;

Type C onshore gathering pipeline:

Outside diameter greater than or equal to 8.625 inches and any of the following:

- Metallic and the MAOP produces a hoop stress of 20 percent or more of SMYS;
- If the stress level is unknown, segment is metallic and the MAOP is more than 125 psig (862 kPa); or
- Non-metallic and the MAOP is more than 125 psig (862 kPa)

§ 192.9 What requirements apply to gathering pipelines?

§ 192.9 (e) Type C lines. The requirements for Type C gathering lines are as follows:

(1) An operator of a Type C onshore gathering line with an outside diameter greater than or equal to 8.625 inches must comply with the following requirements:

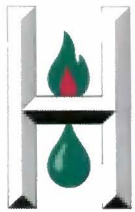
(i) Except as provided in paragraph (h) of this section for pipe and components made with composite materials, the design, installation, construction, initial inspection, and initial testing of a new, replaced, relocated, or otherwise changed Type C gathering line, must be done in accordance with the requirements in subparts B through G and J of this part applicable to transmission lines.

The Arkoma Sales 8-inch diameter, 8.3 miles long pipeline is not subject to the limitation of incidental gathering in 192.8(a)(5). The pipeline meets the end point and mileage requirements of §§ 192.8(a)(4) and 192.8(a)(5). The pipeline is in Class 1 location. Assuming that the central compressor station is the furthestmost downstream endpoint of gathering as defined in § 192.8(c) and API RP 80, 1st Edition, the Arkoma Main Sales 8-inch diameter, and 8.3 miles long pipeline may meet the definition of an incidental gathering pipeline as a Type C regulated onshore gathering pipeline and then must comply with the requirements at § 192.9(e) for Type C lines.

If we can be of further assistance, please contact Tewabe Asebe at 202-366-5523.

Sincerely,

John A. Gale
Director, Office of Standards
and Rulemaking



HANNA OIL AND GAS COMPANY

**P.O. BOX 1356 / HANNA BUILDING
479-782-8808**

**• FORT SMITH, ARKANSAS 72902
• FAX 479-782-1343**

October 3rd, 2023

Attn: John Gale
Pipeline and Hazardous Materials Safety Administration
Office of Standards and Rulemaking
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590
United States

RE: Hanna Oil and Gas Co. Request for Written Regulatory Interpretation

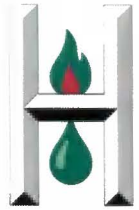
Hanna Oil and Gas Co. is requesting a written regulatory interpretation on one of its natural gas pipelines in Arkansas being the Arkoma Main Sales 8 inch line which is currently classified as a Class 1 Transmission pipeline, relative to the following reporting and regulations:

- 1.) 49 CFR Part 192 Gas Gathering Line Definition for Onshore Gas Gathering lines and Pipeline Safety:
- 2.) Safety of Gas Gathering Pipeline; Extension of Reporting requirement
- 3.) Regulation of Large, High-Pressure Lines, and Other Related Amendments
- 4.) New Safety Standards, Final Rule,
- 5.) Federal Register, Vol 86, No. 217 November 15, 2021,
- 6.) The Latest Definitions in API RP 80 March 2020.

Based on the above referenced regulations and according to the definition of API RP 80, The Arkoma Main Sales 8 inch line would be considered Type C incidental Gathering line on May 16th, 2022.

As illustrated in Figure 2-6 of section 2.2.1.2.6 of API RP -80, In the case of gas processing or gas treatment, the connection to a transmission line is generally contained within the boundaries of the facility. This is not always the case, however. The gathering line operator may have to move the gas through a pipeline some additional distance from the plant to another pipeline. The pipeline moving the gas from the plant to another pipeline is termed "incidental gathering." The "incidental gathering" resumes at the plant outlet and continues to the other pipeline connection.

Hanna O&G gathering endpoint is the Central Compressor Station. The 8 inch Arkoma Main Sales line then directly connects to the Enable "Line O" Transmission line a distance of 8.3 miles away, therefore connecting "incidental gathering" line with the endpoint of gathering being its connection with the downstream Enable "Line O" Transmission line (See attached schematic of the Arkoma Gathering System).



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2.2.1.2.6 Incidental Gathering

In the case of gas processing or gas treatment, the connection to a transmission line is generally contained within the boundaries of the facility. This is not always the case, however. The gathering line operator may have to move the gas through a pipeline some additional distance from the plant to another pipeline. The pipeline moving the gas from the plant to another pipeline is termed "incidental gathering." The "incidental gathering" resumes at the plant outlet and continues to the other pipeline connection. Incidental gathering may

also occur when a compressor is a potential endpoint. Incidental gathering normally is present when the point of last commingling is the last "identified endpoint." From a functional standpoint, this section of incidental gathering line is no different from the rest of the gathering system. The definition, therefore, includes recognition that gathering may continue downstream of the last endpoint identified by processing, treatment, commingling, or compression activities to the connection with another pipeline. Figure 2-6 illustrates this concept.

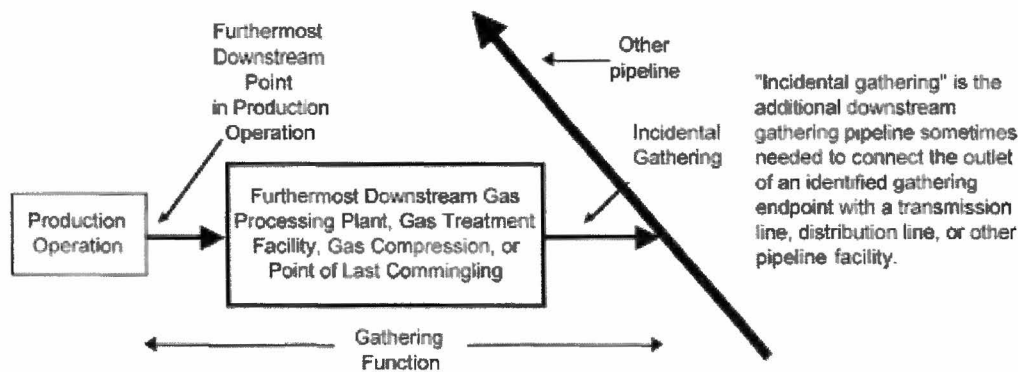
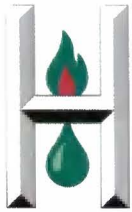


Figure 2-6—Incidental Gathering Downstream of an Identified Endpoint

Based on previous PHMSA interpretations (PI-009-0008 July 30, 2009) and (PI-09-0002 July 14, 2009) incidental gathering designations were permissible due to what was considered a drafting error. To Hanna Oil & Gas's knowledge, no other related rulemaking has been issued until the November 2021 publication of the final gas gathering rule. Hanna's understanding of Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and other related Amendments, New Safety Standards, Final Rule Federal Register, Vol. 86, No. 217 is that the incidental gathering concept as described in API RP-80 may not be used for new, replaced, relocated, or otherwise changed gas gathering line installed after the effective date of the final rule (May 16, 2022) if the endpoint is 10 miles or more from the furthest downstream point where a gathering line begins as determined in paragraphs 2.2(1)(1)(A) through (a)(1)(D) of API RP-80. Incidental gathering lines existing on or before the effective date of the rule may continue to operate as a gathering line, regardless of length. The Arkoma Main Sales 8 inch line was installed in October of 2001, existing prior to the final rule.



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Vol 86 No 217 provides the following new rule definition/guidelines:

192.8 How are onshore gathering pipelines and regulated onshore gathering pipelines determined?

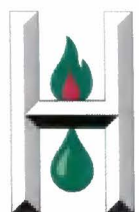
192,8(a)(5) For new, replaced, relocated, or otherwise changed gas gathering pipelines installed after May 16, 2022, the endpoint of gathering under sections 2.2(a)(1)(E) and 2.2.1.2.6 of API RP 80 (incorporated by reference, *see* § 192.7)—also known as “incidental gathering”—may not be used if the pipeline terminates 10 or more miles downstream from the furthestmost downstream endpoint as defined in paragraphs 2.2(a)(1)(A) through (a)(1)(D) of API RP 80 (incorporated by reference, *see* § 192.7) and this section. If an “incidental gathering” pipeline is 10 miles or more in length, the entire portion of the pipeline that is designated as an incidental gathering line under 2.2(a)(1)(E) and 2.2.1.2.6 of API RP 80 shall be classified as a transmission pipeline subject to all applicable regulations in this chapter for transmission pipelines.

Based on the final rule, Hanna Oil & Gas Co considers the Arkoma Main Sales 8 inch line which is currently regulated as a transmission pipeline, as a “regulated incidental gathering line” under Type C designation. Hanna Respectfully requests a written regulatory interpretation of its determination that the Arkoma Main line as of May 16, 2022, is a regulated Type C Incidental Gathering Line following the guidelines for determining Class 1 lines are under 10 miles and metallic and the MAOP produces a hoop stress of 20 percent or more of SMYS. The MAOP of the Arkoma Line is 1318 while 100% SMYS is 1831. The MAOP is 72% of SMYS. The avg operating pressure of the line is 740psig. Hanna Oil & Gas Co. is making this request based on the suggestion of the Arkansas Oil & Gas Commission, as the commission has not concluded an exact determination for the pipeline.

Please call me at 479-651-7578 with any questions regarding this request.

Thank you,

Sam Hanna
Pipeline Operations Manager
Hanna Oil & Gas Co
60 S 6th st, Fort Smith, Arkansas, 72901
Phone 479-651-7578 – Fax 479-782-1343

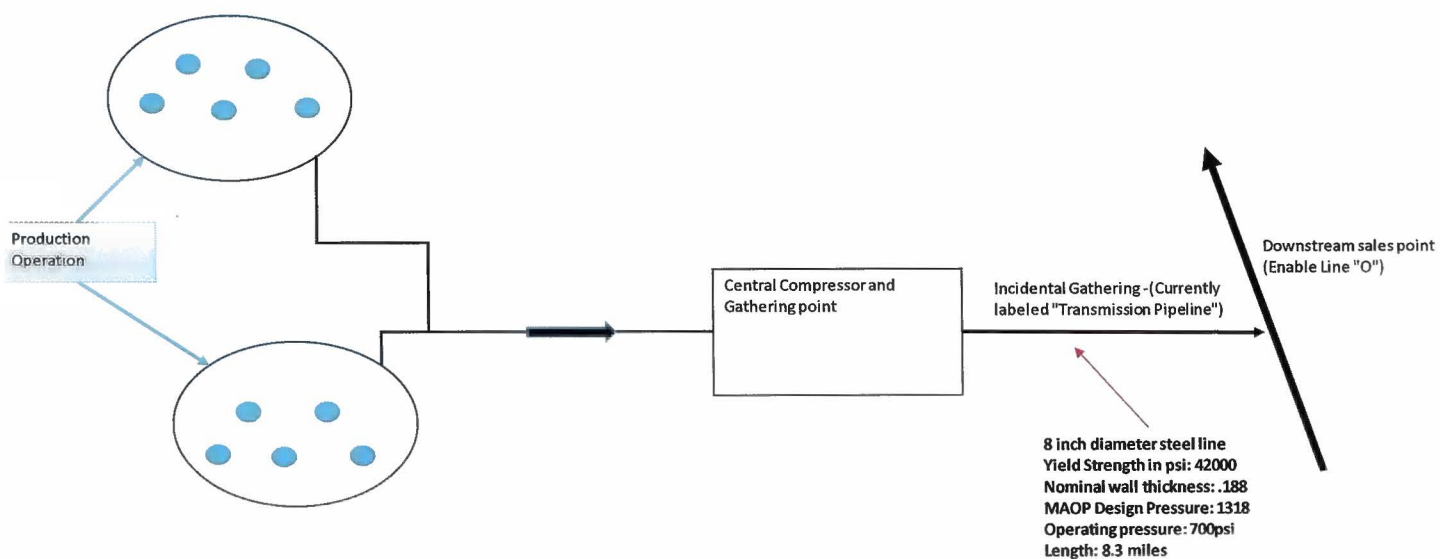


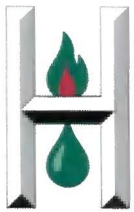
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Arkoma Main Line Schematic:





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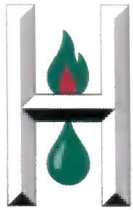
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Hanna Oil & Gas Co, Sugarloaf System



The gas for the Arkoma Main Gathering Line comes from the above wells marked by the yellow dots. All wells flow on suction and are brought in to the Central Compressor Station marked with a green dot at



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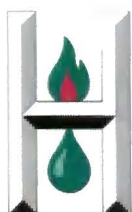
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the “begin Incidental Gathering” wording. Gas enters the Central Compressor station after being compressed at Pod 1, 3, and 5. It flows into the 2 compressors on site and then on to the Wet Gas Meter that sits before the Ross, LLC gas inlet. Gas flows directly into the dehydrator tower where some gas is sent back to a Dehy Regen tower to accumulate before going to power the 2 compressors on site. After the Dehydrator, gas passes through the Dry Gas Meter and then on to pass by the Pressure Relief Valve (PRV). The PRV has a set pressure of 1100lbs. Gas then flows at ~700lbs and enters the 8” steel line (red and blue line) that flows North to the Enable Custody Transfer point at the Enable sales meter at Slaytonville Interconnect. Hanna does not supply gas to any customers. The line is cathodically protected and has rectifier meters on both ends of the gathering line.

Central Compressor Station – Arkoma Main Incidental Gathering Starting Point

Hanna’s Central Compressor Station is the furthestmost downstream gas processing/compression point. From this location, gas flows in the 8-inch line, which has an MAOP of 1318, 8.3 miles to Enables Transmission Line “O”.





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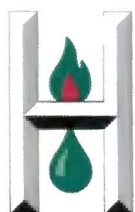
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Slaytonville Interconnect

Slaytonville Interconnect is the termination point after 8.3 miles of 8-inch steel pipeline. Over the last 90 days, the average static pressure is 746 lbs and the average flow rate is 2,450mcf/d. The custody transfer point goes into Enable's "Line O" line.





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Type C determination

The Arkoma Main Gathering line meets the requirements of 49 CFR 192.9 (e).

The line has a nominal diameter of 8.625 inches and is metallic. Method 1 was used under 192.9(f) *Exceptions* to determine Type C applicability. The segment is located within a PIR containing a single building intended for human occupancy shown below. A PIR of 225ft was calculated as specified in 192.903 using a factor of 0.73. The house is located at 35.09865, -94.43568. Arkoma Main Gathering line is 8.3 miles long. Classified as Class 1 with no HCA's

