

October 8, 1993

Mr. Lance Fellhoalter
Engineering Technician
OXY USA, Inc.
Route 1, Box 4
El Dorado, KS 67042

Dear Mr. Fellhoalter:

This responds to your April 26, 1993, letter to George E. Tenley, Jr. concerning the Fairbrothers A-1 gas production facilities in Spivey, Kansas. We received the letter by fax from the Transportation Safety Institute on September 1, 1993. You asked whether the production flow line comes under the regulations in 49 CFR Parts 40, 191, 192, and 199.

As shown on the drawing enclosed to your letter, a 2 3/8-inch line connects the gas well to a separator. Beyond that point, extracted liquids are stored in tanks, and the gas travels through a 30-foot long, 2-inch line to the connection with Western Resources' meter run. In a telephone conversation with you on September 21, 1993, we learned that your question regarding the flow line concerns both the 2 3/8-inch line and the 2-inch line, although the drawing labels only the 2 3/8-inch line as a flow line.

The regulations in Parts 40, 191, 192, and 199 apply to pipeline facilities used in the transportation of gas beginning at the end of the production process. Thus, the regulations would not apply to the lines in question if they are used in the production of gas. Although Parts 40, 191, 192, and 199 do not define gas production facilities, the definition of "production facility" in 49 CFR 195.2 provides a reasonable guide for use in distinguishing facilities used in gas production. Under that definition, "production facility" means piping or equipment used in the production, extraction, recovery, lifting, stabilization, separation or treating of petroleum or carbon dioxide, or associated storage or measurement. Since the 2 3/8-inch line is associated with separation at the production site and the 2-inch line is associated with measurement at the production site, we conclude that both lines are used in the production of gas and are not covered by Parts 40, 191, 192, and 199.

Sincerely,

Cesar De Leon
Director, Regulatory Programs
Office of Pipeline Safety