



Proposed Revision of Oil and Gas Site Security and Measurements Regulations (43 C.F.R subparts 3170, 3173, 3174, 3175)

Public Outreach Meetings Sept 29, 30 & Oct 1 Presenters:

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### **General Information**

- Please be respectful. Inappropriate questions or comments will not be tolerated.
- We are here to address as many clarifying questions as possible.
- You may ask questions verbally or via the Q&A function and we will address them at the end.
- Attendee video will be turned off throughout the meeting. Audio will be turned on when we call on individuals who raise their hand to ask a question.
- Remarks or questions from the audience regarding the presentation **do not** constitute "comments" for the purpose of the proposed rule.
- Submit comments by mail, personal delivery, or online.

### **General Information** (continued)

### Timeline of proposed rule

- Proposed Rule published Sept 10 in *Federal Register* (60-day public comment period closes **Nov 9**)
  - https://www.govinfo.gov/content/pkg/FR-2020-09-10/pdf/2020-16393.pdf
- BLM's Media release posted Sept 10 (with links to Federal Register Notice & public webinars)
  - https://www.blm.gov/press-release/bureau-land-management-seeks-comments-oil-and-gas-regulations
- Transcripts of the public meetings will be posted at:
  - https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/operations-and-production/production-measurement-team

### **Regulatory History**

- Onshore Orders 3 (Site Security), 4 (Oil Measurement), 5 (Gas Measurement) effective February 1989-January 2017
- 43 CFR 3170, 3173, 3174, & 3175 final rules published November 2016, effective January 2017
- In 2018, stakeholders and BLM personnel identified challenges with implementation of some of the 2016 provisions and began drafting proposed changes



### **Comments 101**

- Who may comment? Anyone (individuals, businesses, organizations, etc.)
- When does the comment period close? **November 9** (60 Days after publication in the *Federal Register*)
- How does one send comments on the proposed regulation? By mail, personal delivery or online
- Comments should be as specific as possible and reference the specific section or paragraph of the proposed rule.
- Confine comments to issues pertinent to the proposed rule.
- Explain the reason for any recommended changes and include supporting documentation.
- Strong comments are supported with data.
- Caveat BLM is not obligated to consider or include in the Administrative Record comments received after the close of the comment period or comments delivered to an address other than those listed in the proposed rule.



### **Comments 101(Continued)**

### Where does one send comments on the proposed regulation?

Mail: U.S. Department of the Interior, Director (630)

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You can ask BLM in your comment to withhold from public review your PII, BLM cannot guarantee that BLM will be able to do so.



# 3170 Onshore Oil and Gas Production, General





### 3170.2 Scope

### Specific request for comment:

- Should the BLM establish a Federal-interest threshold for applying its site security and oil/gas measurement regulations?
  - What are the costs and benefits of setting a Federal-interest threshold?
  - What would be an appropriate threshold?
  - Would such a threshold jeopardize the Federal royalty interest and fail to satisfy the BLM's obligations under Federal Oil and Gas Royalty Management Act (FOGRMA) and to what extent?
  - Could a similar threshold be adopted for applying the regulations to units and Communitization Agreements (CA) producing trust minerals?
  - BLM specifically requests comment from state governments with federal and trust mineral oil and gas production that may be impacted by BLM regulation of mixedownership units and CAs.



### 3170.30 Alternative measurement equipment and procedures

- New section
  - Discusses the process operators or manufacturers must follow to get BLM approval for using alternative oil or gas measurement equipment or methods.
  - Alternative measurement equipment and procedures must meet or exceed measurement performance requirements, audit trail and verification requirements, and site security requirements.
  - Note: 3170.30(c) clarifies that requesting and granting a variance under 3170.40 does not constitute an approval of an alternative measurement technology, method, or equipment.

### 3170.40 Variances

### Specific request for comment:

- Should the BLM include a state and tribal variance provision that would allow states and tribes to request that BLM apply analogous state or tribal rules or regulations in place of BLM's requirements?
  - What would be the appropriate standard for granting a state or tribal variance?
  - What would be the scope of a state or tribal variance?
  - What would be the appropriate process for obtaining a state or tribal variance?
  - How would the BLM address changes to state or tribal rules or regulations on which a variance is based?

# 3173 Site Security and Production Handling



### 3173.20 & 3173.21 Seals

- 3173.20(c)(2) clarifies seals are not required on valves on water tanks, unless the valve could provide access to sales or storage tanks with common piping between the water tank and oil tank
- Proposes to eliminate the following seal requirements at LACTs & CMSs:
  - Sample probes
  - LACT meters or CMS
  - Manual sampling valves (if so equipped)
  - Valves on diverter lines less than 1 inch in nominal diameter.
  - Prover connections
- Proposes to modify the following seal requirements:
  - Meter-assembly mechanical meters only
  - Totalizer mechanical meters only
  - Temperature averager stand-alone temperature averagers only
  - Back-pressure valves fixed, non-automatic adjusting BP valves, downstream of the meter

# 3173.21 Oil measurement system components – seals

- Specific request for comment:
  - Are the assumptions presented for the rationale underlying the proposed removal of 6 seal requirements on LACTs and CMSs appropriate and accurate? 3173.21(a)

### 3173.31 Water-Draining operations

- Eliminates record requirements (a) through (h) and defers to seal-record requirements.
- Note: proposed change in documentation requirements does not negate an operator's obligation to report produced water on the OGOR-A.

# 3173.50 Site facility diagram

- Replaces API number with US Well number.
- Identifies co-located facility with box removes requirement for skeleton diagram of other operator's co-located facility.
- Maintains requirement for one diagram in the case of storage facilities common to colocated facilities and operated by one operator.
- Eliminates requirement to wait to receive a Facility Measurement Point (FMP) number prior to submitting new or amended diagrams.
- Revises timeframe to submit new, permanent facility diagrams from 30 to 60 days after the facility is operational or facility is modified.
- Eliminates requirement to submit a modified facility diagram with a change of operator and the only change to the diagram would new operator's name.

# 3173.60 Applying for a facility measurement point number

- Concept is to apply for an FMP number as opposed to an FMP.
- FMP exists whether or not BLM has assigned an FMP number.
- Gas Storage Agreements would have FMP requirements when royalties are due.
- Revises FMP number application deadline tiers created based on 2017 production as opposed to 2010 production in the current rule.

Application deadline	1 Year	2 Years	3 Years
Current rule	> 10,000 Mcf/month OR	>1,500 to <10,000 Mcf/month OR	<1,500 Mcf/month OR
	> 100 Bbl/month	>10 to < 100 Bbl/month	<10 Bbl/month
Proposed rule	>4,500 Mcf/month OR	>1,000 to <4,500 Mcf/month	< 1,000 Mcf/month OR
	> 500 Bbl/month	OR >50 to <500 Bbl/month	< 50 Bbl/month

# 3173.70 Conditions for commingling and allocation approval (surface and downhole)

- Objective is to expand ability to approve commingling of production while preserving measurement performance.
- Removes requirement for the same revenue distribution on commingled agreements.
- Removes requirement for allocation method for produced water operator of an approved Commingling and Allocation Approval (CAA) is still responsible for oil production after upset conditions.
- Allows for a proposed CAA to include lease, unit Participating Areas (PA), or CA to be included as long as there is an approved APD at the time of the application.
  - Provision allows operators to apply for commingling prior to drilling wells.

# 3173.70 (Continued)

### **New condition for receiving CAA:**

- Provide an overall allocation uncertainty analysis calculated by using the propagation of uncertainty method.
  - Criteria:
    - a) Overall allocation uncertainty analysis must meet the performance goals stated in 3174 and/or 3175.
    - b) Analysis must show no allocation bias as a result of commingling allocation.
    - c) Analysis must state the assumed underlying distribution of the volumes generated in the analysis and support the use of the distribution assumption.
    - d) Analysis limited to 4 agreements for commingling approval

# 3173.70 (Continued-2)

Specific request for comment on new commingling approval condition:

- Would the applicant be able to perform the required analysis?
- Would an applicant use this condition to apply for commingling and allocation approval?
- Is there a better condition/method for ensuring no risk to measurement of Federal or Indian trust mineral interest and approving commingling and allocation?



# 3173.71 Applying for a commingling and allocation approval

- Removes requirement a Surface Use Plan of Operations (SUPO). Current requirement replaced with an applicant-certified statement if new surface disturbance is proposed in the commingling application
  - A certified statement is a sworn statement that SUPO is prepared pursuant to regulation.
- Removes requirement for submission of right-of-way grant approved under 43 CFR 2800 or 2880. Current requirement reduced to an applicant-certified statement of a right-of-way grant approved under 25 CFR 169 for ROW over Indian lands.
- Allows for agreements that are not yet producing to be included in a CAA application.
  - Requires an approved APD, offset well decline curve data, offset well oil gravity and/or gas Btu to support the projected production estimates in the application.
- No need to wait for a paying well determination prior to applying for commingling approval.

# 3173.72 Existing commingling and allocation approvals

- Increases thresholds for grandfathered surface commingling to < 6,000 Mcf/month or < 1,000 Bbl/month.
- Clarifies that grandfathering of an existing downhole commingling approval does not simultaneously grant new surface commingling approval.

### 3173.190 Immediate assessments for certain violations

- Language change in the first violation to:
   "An appropriate valve on an oil storage tank was not effectively sealed, as required by § 3173.20" in the proposed rule
- Eliminates the immediate assessment for failure to seal an appropriate valve or component on an oil metering system as required in current § 3173.3 which includes LACT and CMS components requiring seals



### 3174 Measurement of Oil



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# 3174.30 Incorporated by reference (IBR)

- Updates/Reaffirms 16 IBR API Standards to reflect most current versions
- New IBR standards:
  - API MPMS Chapt 7.1 Second edition August 2017
  - API MPMS Chapt 7.2 Third edition May 2018
  - API MPMS Chapt 7.4 Second edition January 2018
  - API MPMS Chapt 12.1.1 Fourth edition February 2019
- Removes IBR standards:
  - API MPMS Chapt 6 Sect 1 Second edition Reaffirmed May 2012
  - API MPMS Chapt 7 First edition Reaffirmed February 2012
  - API MPMS Chapt 7.3 Second edition October 2011
  - API MPMS Chapt 12 Sect 2 Part 1 Second edition Reaffirmed March 2014
  - API MPMS Chapt 13 Sect 1 First edition Reaffirmed February 2011
  - API MPMS Chapt 18 Sect 2 First edition July 2016

# 3174.31 Specific Performance Requirements.

	Very-High Volume	High Volume	Low Volume
Volume thresholds	≥ 15,000 Bbl/month	>1,500, <15,000 Bbl/month	≤ 1,500 Bbl/month
Uncertainty requirement	± 0.5%	± 1.5 %	Not applicable
Statistically significant measurement bias	No bias allowed	No bias allowed	No bias allowed
BLM approved equipment deadline	Within 1 year after the effective date of the rule	In service prior to effective date of rule  – exempt until equipment replaced or production increases. In service after effective date of rule  – compliance within 2 years	In service prior to effective date of rule  – exempt until equipment replaced or production increases. In service after effective date of rule  – compliance within 2 years

**NOTE:** All FMP categories must have the ability to be independently verified.

# 3174.31 Specific Performance Requirements

Specific request for comment:

BLM is particularly interested in the views of states and other non-Federal leaseholders with significant oil and gas production and who may have experience in implementing different thresholds based on their own assessment of risk tolerance and compliance costs.

- Are the proposed uncertainty levels and FMP category combinations reasonable or unreasonable and why?
- What would be a better uncertainty level and FMP category recommendation to minimize risk
  of mismeasurement and compliance costs and why?

# 3174.41 Approval of Measurement Equipment.

- Measurement equipment requiring BLM approval:
  - Automatic tank gauge (ATG)
  - LACT sampling systems
  - Positive displacement meters
  - Coriolis meters
  - Coriolis transmitters
  - Stand-alone temperature averaging devices
  - Temperature transducers
  - Pressure transducers
  - Flow computer software versions
  - Portable electronic thermometers
  - Measurement data systems
  - Temporary measurement

# 3174.50 Grandfathering

#### New section

- Allows exemption from the approved equipment requirement of 3174.41 for low- and high-volume FMPs in service before the effective date of the rule.
- Provides exemption from the "approved equipment" requirement and will still require that the
  equipment meets the performance requirements of 3174.31.
- Grandfathering will be rescinded if the location is modified after the effective date of the rule or
  if the FMP moves into the very-high-volume category.
- Devices not covered by subsection 3174.50(a) regardless of the FMP flow category:
  - Portable electronic thermometers
  - Measurement data systems
  - Temporary measurement
  - Devices unable to meet the requirements of the rule
    - For example automatic temperature and gravity compensators would not be grandfathered because they do not conform to the proposed rule.

# 3174.50 Grandfathering (continued)

### Specific request for comment:

- What would be the overall impact for not allowing or allowing this grandfathering option?
- Are the thresholds for the proposed grandfathering set at appropriate levels?
- Is there a better option or method for ensuring no risk to measurement of Federal or Indian trust mineral interest while allowing for the continued use of equipment currently in service?
- BLM seeks comment on its assumption that not grandfathering automatic temperature compensators and gravity compensators will not result in significant costs to industry.



### **3174.60 Timeframes for Compliance**

- Makes the compliance timeline for oil locations independent of the FMP application dates.
- Equipment installed after 01/17/17 should already comply with the current rule and will therefore have no phase-in period.
- Equipment installed before 01/17/17 will have the following phase-in period:
  - Very-high-volume must comply one year after the effective date
  - High-volume must comply two years after the effective date
  - Low-volume must comply two years after the effective date
- Allows for the operator to voluntarily submit a sundry notice for early adoption of the rule.
- Equipment approvals will be required two years after the effective date.



# 3174.80 - 88 Oil Sales by Tank Gauging

- 3174.86(a) clarifies that tanks under 5,000 bbl capacity only require a single, mid-point, temperature measurement.
- Removes reference to API MPMS 18.2 and replaces it with specific language on the use of ATG.
- 3174.88(a)(2) removes the specific requirement that the same tape and plumb bob be used for opening and closing gauge.
- 3174.88(b) provides specific allowance for automatic tank gauging.
- 3174.88(b)(4) adds specific language for on-site requirements such as the ATG verification log.

### 3174.100 - 108 Oil Sales by LACT

- 3174.102 more clearly explains the sample system approval requirements
- 3174.104 explains the requirements of the non-resettable totalizer
- 3174.105 states the temperature averaging device can be part of the Electronic Liquid Measurement (ELM)
- 3174.106 explains the transducer requirements
- 3174.108 allows for dynamic or automatic-adjusting back pressure valves for changing flow conditions
- Provides for other meters and devices approved by the BLM through the PMT

# 3174.110 Coriolis Meter Operating Requirements.

- Clarifies that a non-resettable totalizer can be displayed on an ELM and the meter must generate the output
- Identifies on-site and display requirements for Coriolis meters (either used in LACTs or CMS)



# 3174.110 Coriolis meter operating requirements (continued)

### Specific request for comment:

- How would a Coriolis meter be tested without a transmitter?
- Does the performance of a Coriolis meter change based on the type of transmitter installed?
- How would the BLM prevent the transmitter performance contributing to the meter uncertainty twice – first, if a transmitter is required to test the Coriolis meter and second, if a transmitter is tested separately?
- Is there data to support the position that a transmitter's contribution to meter uncertainty is insignificant and therefore will not change a Coriolis meter's uncertainty?

### 3174.120 Electronic Liquids Measurement, ELM

#### **New section**

BLM must approve the software associated with the calculation of volume.

### 3174.121 Measurement Data System, MDS

#### **New section**

- Adopts industry terminology of Measurement Data System (MDS)
- Clarifies that the current term "Accounting System" is changed to MDS and would apply to 3174 & 3175



# 3174.130(h) Truck Mounted Coriolis (TMC)

- Adds specific language to address Truck Mounted Coriolis (TMC) as a CMS.
- Additional TMC requirements:
  - Must meet all the requirements of very-high-volume FMPs.
  - The meter factor used during the transfer must match the operating conditions of the fluid being transferred.
  - The display requirements apply only during the transfer.
  - Proving frequency is derived from the total volume from flowing through the meter.
  - BLM inspectors must have ability to witness proving.
  - All data must be accessible to the Authorized Officer (AO) upon request.
  - All lines must be connected before the seal on the sales valve is removed.
  - The TMC must comply with the audit requirements of 3173.
  - Any deviation for the CMS requirements on a TMC must be treated as an alternative method and be approved by the BLM through the PMT.



# 3174.150 – 158 Meter Proving Requirements

- Without a clear and unified industry practice for the determination of normal operating conditions the BLM has proposed a prove-forward method.
- Creates a path for the acceptance of a linear meter factor if proper data is submitted to the BLM for PMT review.
- The requirement to prove a LACT at startup has been changed to allow for line fill. The prove must now be conducted in the first 15-day of first flow and then the meter factor be retroactively applied to previous flow.
- Allows for the use of the all proving runs from API MPMS 4.8 Table A.1 rather than only allowing the five consecutive runs within a tolerance of 0.0005.
- Allows for other proving methods to be submitted to the BLM for PMT review.

# 3174.150 - .158 Meter Proving Requirements (continued)

- In 3174.152, the proving would determine the "normal operating range" for the LACT or CMS for the next period. The limits around the flow rate, temperature, pressure, and API gravity would define the range around which another meter factor or prove would be required.
- 3174.154 allows for justification to be submitted for excessive meter factor deviation.
- Allows for future methods of proving that are not dependent on pulse counts to be submitted to the BLM for PMT review.
- 3174.158 provides a detailed list of the specific data required and specifies a required calculation sequence to be followed in the meter factor calculation.
- Removes the requirement that proving reports be submitted within 14-day and replaced with a requirement under 3174.158(c) that they be available to the AO upon request.

### **3174.151** Meter prover

#### Specific comment request:

 The BLM seeks comments on other proving technologies or procedures that are not presented in this proposed rule, but that meet its requirements. (Hint: data required!)

### 3174.152 Meter-proving runs

"Normal" point defined by conditions at the time of proving. Unit would have to maintain operation within 10% of the defined value for flow rate and pressure, 10° F of the temperature, and 5 degrees of the API gravity.

 BLM seeks comments on these ranges and any supporting data that may show that the range should, without affecting the meter factor, be wider or narrower.

#### 3174.160 - 162 Measurement Tickets

- These sections outline all required information on the uniquely numbered measurement ticket or volume statement. They may be in paper or electronic format and must be made available to the AO upon request.
- 3174.161 clarifies the portions of the tank-gauging measurement ticket that are to be completed at the time of the transfer (before the crude oil truck driver leaves the location) and those that can be completed by the operator (purchaser or transporter) at the completion of the ticket.
- Makes specific reference to 3170.50(g) requirements for location information.
- Adds the 3174.162(a)(11) requirement for a LACT or CMS run ticket to include total net standard volume.
- Adds allowance for a volume statement generated by an ELM (QTR) to be submitted in lieu of a measurement ticket. The specific requirements for this option are added into 3174.162(b) and must be raw, unedited data.

#### 3175 Measurement of Gas





## 3175.31 Specific performance requirements

	Very-Low-Volume	Low-Volume	High-Volume	Very-High-Volume
Flow Rate Uncertainty Levels	No Requirement	No Requirement	± 3 Percent	± 2 Percent
Heating Value Uncertainty Levels	No Requirement	No Requirement	± 3 Percent	± 2 Percent
Bias	No Requirement	No Statistically Significant Bias	No Statistically Significant Bias	No Statistically Significant Bias
Verifiability	Required	Required	Required	Required

BLM seeks comments on this proposed change.

Proposed increase to the level of heating value uncertainty from ± 1% to ± 2%

## 3175.40, .41, and .43 Equipment Requirements

#### Measurement equipment requiring BLM approval:

- Transducers, when used at high- and very-high volume FMPs
- Flow-computer software, when used at high- and very-high volume FMPs
- Isolating flow conditioners
- Differential pressure meters other than flange-tapped orifice plates
- Coriolis meters
- Ultrasonic meters
- Software used to capture and process the output from a Gas Chromatograph (GC)
- Water vapor measurement equipment and methods
- Measurement data systems



#### 3175.50 Grandfathering

- Expands the current grandfathering section.
- Allows for equipment, in the very-low-, low-, and high-volume locations, that were in place before the effective date of the final rule to be exempt for the "approved equipment" requirement.
- Exemption will no longer apply to any meter location that is modified after the effective date of the rule or if the location moves into the very-high-volume category.
- Exemption only applies to the "approved equipment" requirement. Location must comply with all other performance standards.
- Exemptions from the "approved equipment" requirement will have uncertainty and conditions
  of approval based on the manufacturer's published performance.
- Exemptions apply for some other requirements of orifice meters; these remain in place from the current rule.

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## **3175.60 Timeframes for Compliance**

	Existing Very-Low- Volume FMPs	Existing Low- Volume FMPs	Existing High- Volume FMPs	Existing Very-High- Volume FMPs	GARVS	Approved Equipment List	Approved Software Requirement
Current Rule Phase-In Periods	01-17-2020	01-17-2019	01-17-2018	01-17-2018	01-17-2019; Delayed by IM	01-17-2019; Delayed by IM	01-17-2019; Delayed by IM
Proposed Rule Phase-In Periods	Effective date of rule	Effective date of rule	Effective date of rule	Effective date of rule	90 Days after GARVS is released	Two years after effective date of rule	Two years after effective date of rule



#### 3175.80 Orifice Meter Tubes

Basic Meter Tube Inspection

	Very-Low- Volume FMPs	Low-Volume FMPs	High-Volume FMPs	Very-High- Volume FMPs	Initial High- Volume Inspection	Initial Very-High- Volume Inspection
Current Rule requirements	Not required	Every 5 years	Every 2 years	Every year	Not Required	Not Required
Proposed Rule requirements	Not required	Every 10 years	Every 5 years	Every 5 years	2 years after first flow	1 year after first flow

- Modifies Detailed Meter Tube Inspection
  - Amends language about the requirements for detailed inspection to clarify the issues with "obstructions" and "pitting" from the current rule.
  - Clarifies that API MPMS 14.3.2 subsection 6.2 applies to all detailed meter inspections.
- 3175.80(e) specifies an operator must inspect the orifice plate and BLM is not required to witness the plate inspection to move to routine inspection.
- Clarifies the maximum time between intervals for orifice plate inspections.



# 3175.90 - .94 Mechanical Recorder and 3175.100 - .104 Electronic Gas Measurement

#### **Routine Verification Frequency**

	Very-low- volume	Low-volume	High-volume	Very-high- volume
Current	Every 6	Every 3	N/A	N/A
Mechanical	Months	Months		
Recorder				
Proposed	Every 6	Every 3	N/A	N/A
Mechanical	Months	Months		
Recorder				
Current	Every 12	Every 6	Every 3	Every 3
Electronic Gas	Months	Months	Months	Months
Measurement				
Proposed	Every 12	Every 6	Every 6	Every 6
Electronic Gas	Months	Months	<b>Months</b>	<b>Months</b>
Measurement				

## 3175.100 Electronic gas measurement (continued)

Specific request for comment:

The BLM believes that most transducers in use today are stable enough that the verification frequency can be reduced to every 6 months without adding significant risk to measurement. In addition, the BLM believes that the human interaction with the transducers and flow computer during a verification can introduce greater error and uncertainty than leaving them alone.

## 3175.104 Logs and records

Specific request for comment:

The BLM changed the language to "decimal places" in the final rule based on comments stating that reporting to a specified number of significant digits would be unworkable. This solution resulted in unintended consequences that might require many operators to modify or replace existing gas measurement systems. The goal of specifying the number of significant digits is to ensure the data provides enough resolution for the BLM to perform meaningful recalculations of the volume reported on the QTR. Further research into the issue shows that "significant digits" provides a more workable approach than "decimal places."

• The BLM seeks comment on this proposed change from "decimal places" to "significant digits" and requests data to support the use of one term over the other.



## 3175.110 - .121 Gas Sampling and Analysis

- Clarifies that "equivalent" cleaning methods for sample cylinders must be approved by the BLM.
- Changes the threshold for the C9+ analysis requirement to samples with a mole percent greater than 1.
- Removes the requirement to report unnormalized mole percent of each component.
- Changes requirements of sampling frequency:

FMP Flow Category	Current Spot Sampling Frequency	Current Maximum Sampling Requirement	Proposed Spot Sampling Frequency	Proposed Maximum Sampling Requirement
Very-Low-Volume	12 months	N/A	12 months	N/A
Low-Volume	6 months	N/A	6 months	N/A
High-Volume	3 months	Bi-weekly	3 months	Bi-weekly
Very-High-Volume	1 month	On-line GC	1 month	Bi-weekly



## 3175.117 On-line gas chromatographs

• The BLM seeks specific comment regarding industry standards or best practices for the selection, installation, and operation of on-line gas chromatographs.

#### 3175.119 Components to analyze

• The BLM seeks specific comment on the C9+ data analysis and the regulatory changes proposed based on the BLM's review of the data.

## 3175 Testing of Equipment

Removes the testing protocols from the rule.



## 3175.126 Reporting of Heating Value and Volume

- Clarifies that the Water Vapor content must be reported in the volume calculation if the volume is not reported as "dry".
- Added requirement that equipment used to determine water vapor content must be approved by the BLM.
  - Responding to field reports of the use of equipment not designed for natural gas service, and the that measurement of such devices directly affect royalty reporting.
- Added language to clarify that the C9+ analysis can be used in lieu of C6+ without the need for any additional approvals.
- Added BTU thresholds for the composition of hexanes-plus in lieu of the current required fractional breakdown of 60/30/10.
- Added minimum heating value level for C9+ analysis.

## 3175.130 GSAMP requirements

#### New section

- Defines gas storage agreement measurement points (GSAMP), for those meters used a BLM storage agreements that do not fall within the definition of FMP.
- Defines as a point where the gas injected and withdrawn from a gas-storage agreement is
  measured and the measurement affects the calculation of the injection and withdrawal fees
  paid to the Federal Government, but does not affect the calculation of royalty due on native
  oil or gas produced from the gas storage area.
- Defines new volume categories for these meters.
- Provides exemptions for the certain requirements for GSAMP

#### Specific request for comment:

GSAMP requirements and inclusion of section.

#### 3175.150 Immediate Assessments

- Removes immediate assessment for initial mechanical-recorder verification not conducted as required in 3175.92.
- Removes immediate assessment for routine mechanical-recorder verification not conducted as required in 3175.92.

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## Thank you!

#### Submit comments by:

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You can ask BLM in your comment to withhold from public review your PII, BLM cannot guarantee that BLM will be able to do so.

#### **Questions & Answers**

- We're focused on answering your <u>questions</u>
- Enter your <u>questions</u> in the Question & Answer box or;
- Use the "Raise Hand" feature if you want to speak. Please keep hand raised until we call on you
- Dial \*9 to raise your hand then press \*6 to unmute yourself
- Subject matter experts will provide verbal responses to all questions
- Answered questions will be read aloud for attendees who joined by phone
- <u>Comments</u> should be submitted by mail, hand delivery or online at www.regulations.gov