

TITLE 19 NATURAL RESOURCES AND WILDLIFE
CHAPTER 15 OIL AND GAS
PART 23 OFF LEASE TRANSPORT OF CRUDE OIL OR CONTAMINANTS

19.15.23.1 ISSUING AGENCY: Energy, Minerals and Natural Resources Department, Oil Conservation Division.
[19.15.23.1 NMAC - N, 12/1/08]

19.15.23.2 SCOPE: 19.15.23 NMAC applies to persons engaged in the off-lease transport of oil or contaminants.
[19.15.23.2 NMAC - N, 12/1/08]

19.15.23.3 STATUTORY AUTHORITY: 19.15.23 NMAC is adopted pursuant to the Oil and Gas Act, NMSA 1978, Section 70-2-6, Section 70-2-11 and Section 70-2-12, which authorizes the division to regulate the transport of oil or gas or their products through the use of certificates of clearance or tenders.
[19.15.23.3 NMAC - N, 12/1/08]

19.15.23.4 DURATION: Permanent.
[19.15.23.4 NMAC - N, 12/1/08]

19.15.23.5 EFFECTIVE DATE: December 1, 2008, unless a later date is cited at the end of a section.
[19.15.23.5 NMAC - N, 12/1/08]

19.15.23.6 OBJECTIVE: To document the transport of oil or lease condensate or liquids that may contain oil, lease condensate, sediment oil or miscellaneous hydrocarbons to verify the location from where they were removed.
[19.15.23.6 NMAC - N, 12/1/08]

19.15.23.7 DEFINITIONS: [RESERVED]
[See 19.15.2.7 NMAC for definitions.]

19.15.23.8 DOCUMENTATION REQUIRED:

A. Off-lease transportation of oil or lease condensate by motor vehicle shall be pursuant to an approved form C-104 and shall be accompanied by a run ticket or equivalent document. The documentation shall identify the transporter's name and address, the operator's name, the name of the lease or facility from which the oil was taken, the date of removal, the API gravity of the oil, the observed percentage of BS&W, the volume of oil or opening and closing tank gauges or meter readings and the driver's signature. The document shall provide space for recording of the lease number and for the signature of the operator or the operator's representative.

B. Off-lease transportation of oil or lease condensate by motor vehicle shall be accompanied by documentation sufficient to verify the location of the tanks or facility from which the transporter removed the liquid. The location may be shown on the run ticket or equivalent document or may be carried separately.

C. Off-lease transportation of liquids that may contain oil, lease condensate, sediment oil or miscellaneous hydrocarbons shall be accompanied by a run ticket, work order or equivalent document, *i.e.*, form C-117-A. The documentation shall identify the transporter's name and address, the operator's name, the name of the lease or facility from which the liquid was removed, the nature of the liquid removed including the observed percentage of liquid hydrocarbons, the volume or estimated volume of liquids and the destination.

D. Off-lease transportation of liquids that may contain oil, lease condensate, sediment oil or miscellaneous hydrocarbons shall be accompanied by documentation sufficient to verify the location of the tanks or facility from which the transporter removed the liquid. The location may be shown on the run ticket or equivalent document or may be carried separately.

E. The transporter shall carry the documentation required under Subsections A and B of 19.15.23.8 NMAC in the vehicle during transportation and produce the documentation for examination and inspection by a division employee, a state police officer or other law enforcement officer upon identification and request.

F. Except where the owner and the transporter are the same, one copy of the documentation shall be left at the facility from which the oil or other liquids were removed.
[19.15.23.8 NMAC - Rp, 19.15.10.804 NMAC, 12/1/08]

19.15.23.9 OFF-LEASE TRANSPORTATION OR STORAGE PRIOR TO MEASUREMENT:

A. The division may grant exceptions to the requirements of Subsection B of 19.15.12.9 NMAC administratively, without hearing, to permit production from one lease to be transported prior to measurement to another lease for storage on that lease when:

(1) the operator files an application for off-lease transportation or storage prior to measurement on form C-107-B with the division's Santa Fe office and sends one copy to the appropriate division district office;

(2) the production is from the same common source of supply;

(3) commingling of production from different leases will not result;

(4) there will be no intercommunication of the handling, separating, treating or storage facilities designated to each lease;

(5) parties owning working interests in the production to be transported off lease prior to measurement have been notified of the application in accordance with 19.15.4.12 NMAC and have consented in writing, or the applicant furnishes proof that the parties were notified by registered or certified mail of its intent to transport the production from one lease to another lease for storage prior to measurement, and after a period of 20 days following receipt of the application, no party has filed objection to the application with the division; and

(6) if state, federal or tribal lands are involved, the operator has notified the state land office or the BLM, as applicable.

B. The division may set for hearing an application for approval of off-lease transportation or storage prior to measurement, in which event notice of hearing shall be given, pursuant to 19.15.4.12 NMAC, to owners of working interests in the production to be transported off lease prior to measurement, and to such other owners as the division may direct.

[19.15.23.9 NMAC - Rp, 19.15.5.303 NMAC, 12/1/08]

HISTORY of 19.15.23 NMAC:

History of Repealed Material: 19.15.5 NMAC, Oil Production Operating Practices (filed 04/27/2000) and 19.15.10 NMAC, Oil Purchasing and Transporting (filed 4/16/2003) repealed 12/1/08.

NMAC History:

Those applicable portions of 19.15.5 NMAC, Oil Production Operating Practices (Section 303) (filed 04/27/2000) and 19.15.10 NMAC, Oil Purchasing and Transporting (Section 804) (filed 4/16/2003) were replaced by 19.15.23 NMAC, Off Lease Transport of Crude Oil or Contaminants, effective 12/1/08.