

**RULES  
OF THE  
OIL AND GAS PROGRAM  
DIVISION OF WATER RESOURCES**

**CHAPTER 0400-54-02  
PROCEDURES AND EQUIPMENT FOR METERING, MEASURING AND  
PRODUCING OIL CONDENSATE AND GAS**

**TABLE OF CONTENTS**

0400-54-02-.01	Gas/Oil Ratios Equipment	0400-54-02-.09	Reserved
0400-54-02-.02	Gauging	0400-54-02-.10	Reserved
0400-54-02-.03	Testing	0400-54-02-.11	Reserved
0400-54-02-.04	Improper Transfer	0400-54-02-.12	Reserved
0400-54-02-.05	Lease Tank Outlets	0400-54-02-.13	Basic Orifice Coefficients
0400-54-02-.06	Bleed-off Lines	0400-54-02-.14	Pilot Tubes
0400-54-02-.07	Commingleing Prohibited	0400-54-02-.15	Gas Measurements
0400-54-02-.08	Required Test Lines		

**0400-54-02-.01 GAS/OIL RATIOS EQUIPMENT.**

All leases are to be so equipped as to permit the determination of gas/oil ratios on individual flowing and gas-lift wells. Gas/oil ratio data on all wells shall be available to the Supervisor at all times.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.02 GAUGING.**

Each lease shall be provided with sufficient tankage and/or meters to permit proper gauging of the oil/condensate and gas produced. The tanks or meters shall be identified by a sign showing the ownership of the tanks or meters and the name of the lease from which the oil/condensate or gas is being produced. In no case shall meters be the sole means of measuring oil runs from any field. There shall be used at least one gauge tank to check the readings of oil and condensate meters.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.03 TESTING.**

All oil tendered to any transportation system shall be gauged and tested for Basic Sediment and Water and temperature. For each and every transfer of oil from the lease tanks the number of the "on-seal" observed temperature and the percent of Basic Sediment and Water shall be recorded on each and every run ticket, and the producer and purchaser of any transfer of oil from lease tanks shall receive a copy of the run or delivery ticket or tickets.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.04 IMPROPER TRANSFER.**

There shall not be any simultaneous movement of oil into and out of any tank that is being used for delivering oil to a gatherer or transporter. Transfer of oil or gas from the possession of one lease to the possession of another lease, except when properly accounted for, is hereby prohibited. The possession of improper mechanical means for transferring oil from one lease tank or well to the lease tank or well of another lease is hereby prohibited.

(Rule 0400-54-02-.04, continued)

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.05 LEASE TANK OUTLETS.**

All pipeline outlets from lease tanks shall be kept sealed at all times except when a pipeline is being made from the tank, and the number of the "on-seal" and "off-seal" shall be recorded on each and every run ticket. Additionally, all pipeline outlets from lease tanks shall be made secure to prevent the unauthorized discharge or transfer of oil.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.06 BLEED-OFF LINES.**

Basic Sediment and Water bleed-off lines of lease tanks shall be sealed or locked at the time any pipeline run is being made.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.07 COMMINGLING PROHIBITED.**

Oil produced from separately owned leases, not pooled, unitized, or consolidated shall not be commingled in lease tanks except as hereinafter provided for in this order.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.08 REQUIRED TEST LINES.**

Reserved.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.09 RESERVED.**

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.10 RESERVED.**

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.11 RESERVED.**

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.12 RESERVED.**

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.13 BASIC ORIFICE COEFFICIENTS.**

Basic orifice coefficients used in the calculation of gas flow shall be those contained in the American Gas Association's Gas Measurement Committee Report No. 3 or some other basic orifice coefficients generally accepted in the industry and approved by the Supervisor, such as those published by the Foxboro Company, American Meter Company, and Pittsburg Equitable Meter Company. Corrections for base pressure and base temperature shall be made. Corrections for supercompressibility are recommended when available. Corrections for Reynolds number and expansion factor are recommended only in cases where their combined correction is equal to or exceeds 1%.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.14 PILOT TUBES.**

Gas measurements with Pilot Tubes shall be based on Reid's formula and shall follow recommendations similar to those set forth in Appendix 4 of the Bureau of Mines Monograph 7. Corrections for base pressure and base temperature shall be made as in orifice measurements.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.

**0400-54-02-.15 GAS MEASUREMENTS.**

Gas measurements with orifice well tests shall follow recommendations similar to those set forth in Bulletin No. E-7 of the American Meter Company. Corrections for base pressure and base temperature and gravity shall be made as in orifice measurements.

**Authority:** T.C.A §§ 60-1-201 et seq., and 4-5-201 et seq. **Administrative History:** Original rule filed March 20, 2013; effective June 18, 2013.