



DEPARTMENT OF THE INTERIOR

Bureau of Safety and Environmental Enforcement

30 CFR Part 250

[Docket ID: BSEE-2020-0002; EEEE500000 21XE1700DX EX1SF0000.EAQ000]

RIN 1014-AA46

Oil and Gas and Sulfur Operations in the Outer Continental Shelf—Reaffirmation of Standard Editions Related to the Manual of Petroleum Measurement Standards

AGENCY: Bureau of Safety and Environmental Enforcement, Interior.

ACTION: Direct final rule; request for comments.

SUMMARY: This direct final rule incorporates by reference American Petroleum Institute’s (API’s) reaffirmation of 21 production measurement publications (each referred to herein as a “standard”). This direct final rule updates the reaffirmation date of industry standards already incorporated in regulations administered by the Bureau of Safety and Environmental Enforcement (BSEE). This rule does not include any new editions of incorporated standards, nor does it incorporate any new standards. Rather, it merely acknowledges API’s subsequent reaffirmation, without change, of standards previously incorporated by reference. Incorporation of these reaffirmed documents will ensure that the citations to standards for the measurement of oil and gas production flow rates and volumes incorporated into the regulations are up to date. This rule will update incorporated measurement standards, thereby eliminating confusion in identifying the correct measurement standards required to be used.

DATES: This rule is effective [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER] without further action, unless adverse comment is received by [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. If adverse comment is received, BSEE will publish a

timely withdrawal of the rule in the *Federal Register*. BSEE may not fully consider comments received after the comment due date. The incorporation by reference of the publications listed in the regulation is approved by the Director of the *Federal Register* as of [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments on the rulemaking using the Federal eRulemaking portal which is located at www.regulations.gov. Please use the regulation identifier number (RIN) 1014-AA46 as an identifier for your comment.

Public Availability of Comments – Before including your address, phone number, e-mail address, or other personal identifying information in your comment, you should be aware that your entire comment – including your personal identifying information – may be made publicly available at any time. In order for BSEE to withhold from disclosure your personal identifying information, you must identify any information contained in the submittal of your comments that, if released, would constitute a clearly unwarranted invasion of your personal privacy. You must also briefly describe any possible harmful consequence(s) of the disclosure of the information, such as embarrassment, injury, or other harm. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Availability of documents for public viewing:

The reaffirmed standards are available online for review for free, and hardcopies and printable versions are available for purchase. The API website where the standards can be viewed is: <http://publications.api.org/>. This API website provides a free online reading room for users after creating an account.

For the convenience of the public who may not wish to view documents online, all documents incorporated in this rule may be viewed by appointment at the BSEE Houston office, 1919 Smith Street, Suite 14042, Houston, Texas 77002. An appointment is

required because of agency resources, natural disasters, public health situations and the like, e.g., personnel availability, hurricanes, pandemics, etc. To make an appointment, please call 1-844-259-4779.

These documents, if incorporated, will continue to be made available to the public for viewing when requested. Specific information on where these documents can be inspected or purchased can be found at 30 CFR 250.198, *Documents incorporated by reference*.

FOR FURTHER INFORMATION CONTACT: For technical or procedural questions contact Alton Payne at 713- 220-9204, or David Izon at 703-787-1706, or by email: standards@bsee.gov.

SUPPLEMENTARY INFORMATION:

Executive Summary

BSEE derives its authority primarily from the Outer Continental Shelf Lands Act (OCSLA), 43 U.S.C. 1331-1356a. Congress enacted OCSLA in 1953, authorizing the Secretary of the Interior (Secretary) to lease the Outer Continental Shelf (OCS) for mineral development, and to regulate oil and gas exploration, development, and production operations on the OCS. The Secretary has delegated authority to perform certain of these functions to BSEE. To carry out its responsibilities, BSEE regulates oil and gas exploration, development, and production operations on the OCS. Among other purposes, regulations administered by BSEE seek to prevent injury, loss of life, as well as damage to property, natural resources, and the environment. The Department of the Interior (Department) incorporates by reference in its regulations many oil and gas industry standards in order to require compliance with those standards in offshore operations.

BSEE uses standards, specifications, RPs, and other documents developed by standard development organizations (SDO) as a means of establishing requirements for

activities on the OCS. This practice, known as “incorporation by reference,” allows the Department to incorporate the requirements of technical documents into the regulations without increasing the volume of the Code of Federal Regulations (CFR). The Department currently incorporates by reference 125 documents into its offshore operating regulations administered by BSEE.

The National Technology Transfer and Advancement Act (NTTAA)¹ requires BSEE to “use technical standards that are developed or adopted by voluntary consensus standards bodies . . . to carry out policy objectives or activities[,]” including those on the OCS. According to the relevant definitional guidance from the Office of Management and Budget (OMB), standards include those developed by SDOs that are currently incorporated into regulations administered by BSEE (*e.g.*, industry standards, codes, specifications, and RPs).²

Where appropriate, the Department incorporates industry standards into its regulations by reference without republishing the standards in their entirety. The legal effect of incorporation by reference is that the incorporated standards become regulatory requirements. This incorporated material, like any other regulation, has the force and effect of law. Operators, lessees, and other regulated parties must comply with the documents incorporated by reference in the regulations.

The Office of the Federal Register’s (OFR) regulations, at 1 CFR part 51, govern how BSEE and other Federal agencies incorporate documents by reference. Agencies may incorporate a document by reference by publishing in the *Federal Register* the document title, edition, date, author, publisher, identification number, and other specified information. The preamble of the rule must contain a summary of each document

¹ Pub. L. 104–113, sec. 12(d), Mar. 7, 1996, 15 U.S.C. 272 note.

² See, OMB Circular A–119, “Federal Participation in the Development and Use of Voluntary Consensus Standards and in Conformity Assessment Activities” (pp. 15-16)
https://www.nist.gov/system/files/revised_circular_a-119_as_of_01-22-2016.pdf

incorporated by reference, as well as discuss the ways that the incorporated materials are reasonably available to interested parties and how interested parties can obtain those materials. The Director of the Federal Register must also approve the incorporation by reference of a publication.

Incorporation by reference of a document or publication is limited to the version of the document or publication cited in the regulations. This means that newer editions, versions, amendments, or revisions to documents already incorporated by reference in regulations are not part of the regulations until the Department promulgates a rulemaking in the *Federal Register* that incorporates the new, updated, or revised version of the document.

BSSE reviewed API reaffirmations of documents already incorporated into the regulations BSEE administers and determined that it is appropriate to update the regulations to reflect the reaffirmed documents. Based on this review, BSEE has concluded that the use of these reaffirmed standards will not impose additional costs on any stakeholder, including the offshore oil and gas industry. In fact, the substance of the standards incorporated here is the same as that presently incorporated because this rulemaking merely incorporates by reference the reaffirmation by the SDO, namely API, of standards already incorporated by reference. Therefore, the Department is incorporating these reaffirmed documents through a direct final rule. The Department determined under the Administrative Procedure Act (5 U.S.C. 553(b)(3)(B)) that “notice and public procedure thereon are . . . unnecessary . . .” because the Department does not propose to make any actual substantive changes to the regulations – the changes are merely administrative updates to the citations to the standards previously incorporated into the regulations. Additionally, because the reaffirmed versions of the standards being incorporated are identical to the requirements of the standards already contained in the

regulations, incorporation of these versions will not impose undue costs on the affected parties.

BSEE's Functions and Authority

BSEE promotes safety, protects the environment, and conserves offshore oil and gas resources through vigorous regulatory oversight and enforcement. BSEE derives its authority primarily from OCSLA.

Congress enacted OCSLA in 1953, establishing Federal control over the OCS and authorizing the Secretary to regulate oil and natural gas exploration, development, and production operations on the OCS. The Secretary authorized BSEE to perform certain of these functions (*see* 30 CFR 250.101, *Authority and applicability*). In addition to developing and implementing such regulatory requirements, BSEE participates in activities of relevant SDOs and the international community to develop and revise safety and environmental standards, which the Department may incorporate into BSEE's regulatory program. BSEE also conducts onsite inspections to ensure compliance with regulations, including the subject matter of the standards incorporated by reference in regulations administered by BSEE. Detailed information concerning regulations and guidance for the offshore industry may be found on BSEE's website at:

www.bsee.gov/Regulations-and-Guidance/index.

Public Participation and Availability of Comments

BSEE encourages public participation in this direct final rulemaking through the submission of written comments, as discussed in the **ACTION, ADDRESSES, and DATES** sections of this direct final rule. This direct final rule provides 30 days for public comment to ensure the public has an opportunity to raise concerns regarding the incorporation of these reaffirmed standards. If no adverse comment is received within the 30-day comment period, this final rule will become effective 60 days after its publication in the *Federal Register*. If an adverse substantive comment is received within

the 30-day comment period, then the Department will withdraw the final rule before its effective date and issue a separate proposed rule document on the same subject. The reaffirmed standards the Department is incorporating were previously incorporated in its regulations. Industry is currently working with the reaffirmed versions of these incorporated standards.

Procedures for Incorporation by Reference and Availability of Incorporated Documents for Public Viewing

BSEE frequently uses standards (*e.g.*, codes, specifications, recommended practices, and bulletins) developed through a consensus process, facilitated by SDOs, with input from the oil and gas industry and the public generally, as a means of establishing requirements for activities on the OCS. The Department may incorporate these standards into its regulations without republishing the standards in their entirety in the CFR, a practice known as incorporation by reference. The legal effect of incorporation by reference is that the incorporated standards become regulatory requirements (*see* 30 CFR 250.115). This incorporated material, like any other properly issued regulation, has the force and effect of law, and BSEE holds operators, lessees, and other regulated parties accountable for complying with the documents incorporated by reference in the regulations. There are 125 consensus standards currently incorporated by reference in the regulations governing offshore oil and gas operations administered by BSEE (*see* 30 CFR 250.198).

When a copyrighted industry standard is incorporated by reference into the regulations, BSEE is obligated to observe and protect that copyright. BSEE provides members of the public with website addresses where these standards may be accessed for viewing—sometimes for free and sometimes for a fee. The decision to charge a fee is made by each SDO. API provides free online public viewing access to more than 160 technical and other key industry standards. Those standards represent almost one-third of

all API standards and include all that are safety-related or are incorporated into Federal regulations. These standards are available for viewing online, while hard copies and printable versions will continue to be available for purchase through API. To review such standards online, go to the API publications Web site at: <http://publications.api.org>. You must then log-in or create a new account, accept API's "Terms and Conditions," click on the "Browse Documents" button, and then select the applicable category (*e.g.*, "Exploration and Production") for the standard you wish to review.

For the convenience of the viewing public who may not wish to purchase or view the incorporated documents online, the documents may be inspected at BSEE's office at: 1919 Smith Street, Suite 14042, Houston, Texas 77002 (phone: 1-844-259-4779) by appointment only. An appointment is required because of agency resources, natural disasters, public health situations and the like, *e.g.*, personnel availability, hurricanes, pandemics, etc. BSEE will make documents incorporated in the final rule available for viewing at the time and date agreed upon for the appointment. Additional information on where these documents can be inspected or purchased can be found at 30 CFR 250.198, *Documents incorporated by reference*.

Background Information for Proposed Incorporation by Reference of Reaffirmed API Standards

In addition to the legal requirement under the NTTAA for Federal agencies to use standards where appropriate, there are a number of benefits to incorporating these documents into the regulations. Standards increase consistency for employee training, equipment compatibility, processes, and testing during operations. Standards help ensure that operators and their contractors take proper precautions during operations resulting in safety performance improvements through the reduction of lost time from injuries and incidents, work environment safety standards, proper training, product failure reporting, quality control and assurance requirements, addressing safety issues, and improved

communications between user and supplier. Global adoption of standards is a compelling reason for the most updated version to be part of the regulatory framework, since standards drive consistency, promote competition, and reduce the burden of compliance.

OMB Circular A-119 indicates that Federal agencies “should undertake a standards-specific review of such incorporated standards every three-to-five years, or when stakeholders otherwise provide adequate information that a standards-specific review is necessary due to . . . the need to remain current with technological changes”³ This standard-specific rulemaking is part of the Department’s effort to keep the standards in the regulations up-to-date. The American National Standards Institute (ANSI) generally contemplates that industry standards will be updated at least every five years by the SDOs. However, the regulations administered by BSEE incorporate several standards that are updated by SDOs more frequently than every five years, and are therefore appropriate for updating in the regulations.

Typically, standards cite other documents as normative. When documents are cited as normative, the normative document is indispensable for the application of the standard citing it. Thus, the normative document must be followed in order to comply with the requirements of the underlying standard.

This rulemaking updates the specific versions defined by the reaffirmation dates of the incorporated editions of the following API documents:

- 1. API MPMS Chapter 2—Tank Calibration, Section 2A—Measurement and Calibration of Upright Cylindrical Tanks by the Manual Tank Strapping Method**, First Edition, February 1995, Reaffirmed August 2017.

This standard describes the procedures for calibrating upright cylindrical tanks used primarily for the storage of petroleum liquids. Section 2A, *Tank Calibration*, first addresses procedures for making necessary measurements to determine the total and

³ OMB Circ. A-119 at p. 26.

incremental tank volumes, and then presents the recommended procedures for computing volumes. The standard also provides guidelines for recalibration and computerization of capacity tables. Both the International System of Units (SI), or metric, and U.S. customary units are presented where appropriate. SI and U.S. customary conversions may not necessarily be exact. The SI units often reflect what is available in commercial equipment. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in August 2017.

2. API MPMS Chapter 2—Tank Calibration, Section 2B—Calibration of Upright Cylindrical Tanks Using the Optical Reference Line Method (ORLM), First Edition, March 1989, Reaffirmed April 2019.

This standard describes measurement and calculation procedures for determining the diameters of upright welded (lap/butt) cylindrical tanks, or vertical cylindrical tanks, with a smooth outside surface and either floating or fixed roofs. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in April 2019.

3. API MPMS Chapter 3—Tank Gauging, Section 1B—*Standard Practice for Level Measurement of Liquid Hydrocarbons in Stationary Tanks by Automatic Tank Gauging (ATG)*; Second Edition, June 2001, Reaffirmed February 2016.

This incorporated standard discusses automatic tank gauging in general, calibration of ATGs for custody transfer and inventory control, and the requirements for data collection, transmission, and receiving. The appendices discuss the operation and installation of the most commonly used ATG equipment and of the less commonly used electronic ATGs. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in February 2016.

4. API MPMS Chapter 4—Proving Systems, Section 1—Introduction - Third Edition, February 2005, Reaffirmed June 2014.

Section 1, Proving Systems, is a general introduction to the subject of proving. The requirements in Chapter 4 are based on customary practices that evolved for crude oils and products covered by API MPMS Ch. 11.1. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in June 2014.

5. API MPMS Chapter 4—Proving Systems, Section 4—Tank Provers, Second Edition, May 1998, Reaffirmed May 2015.

Chapter 4 specifies the characteristics of stationary (fixed) or portable tank provers that are in general use and the procedures for their calibration. Guidelines are provided for the design, manufacture, calibration, and use of new or replacement tank provers and are not intended to make any existing tank provers obsolete. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in May 2015.

6. API MPMS, Chapter 4—Proving Systems, Section 6—Pulse Interpolation, Second Edition, May 1999, Reaffirmed October 2013.

Chapter 4 describes how the double-chronometry method of pulse interpolation, including system operating requirements and equipment testing, is applied to meter proving. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in October 2013.

7. API MPMS, Chapter 5—Metering, Section 2—Measurement of Liquid

Hydrocarbons by Displacement Meters, Third Edition, September 2005, Reaffirmed July 2015.

This section of API MPMS Chapter 5 covers the unique performance characteristics of displacement meters in liquid hydrocarbon service. The Department incorporated this standard by reference into the regulations on April 28, 2010 [75 FR 22223], and API reaffirmed the standard without substantive change in July 2015.

8. API MPMS Chapter 5—Metering, Section 3—Measurement of Liquid

Hydrocarbons by Turbine Meters, Fifth Edition, September 2005, Reaffirmed August 2014.

Section 3 of API MPMS Chapter 5 covers the unique installation requirements and performance characteristics of turbine meters in liquid-hydrocarbon service. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in August 2014.

9. API MPMS, Chapter 5—Metering, Section 4—Accessory Equipment for Liquid

Meters, Fourth Edition, September 2005, Reaffirmed August 2015.

Section 4 of API MPMS Chapter 5 describes the characteristics of accessory equipment that may be used with meters in liquid hydrocarbon service. Having a knowledge of these characteristics helps designers and operators of meter installations provide satisfactory quantity measurement results. Certain minimum requirements for devices that monitor temperature, density, and pressure are discussed in this section. Most system hardware, such as non-control valves, vents, and manifolding, is not discussed in this section. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in August 2015.

10. API MPMS, Chapter 5—Metering, Section 5—Fidelity and Security of Flow

Measurement Pulsed-Data Transmission Systems, Second Edition, August 2005, Reaffirmed August 2015.

The recommendations set forth in this publication are concerned only with the fidelity and security of pulsed-data, cabled transmission systems between a flow meter or flow meter transducer and a remote totalizer. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12093], and API reaffirmed the standard without substantive change in August 2015.

11. API MPMS Chapter 5—Metering, Section 6—Measurement of Liquid

Hydrocarbons by Coriolis Meters, First Edition October 2002, Reaffirmed November 2013.

This standard is applicable to custody transfer applications for liquid hydrocarbons.

Topics covered are:

- (1) Applicable API standards used in the operation of Coriolis meters,
- (2) Proving and verification using both mass-based and volume-based methods,
- (3) Installation,
- (4) Operation, and
- (5) Maintenance.

The mass-based and volume-based calculation procedures for proving and quantity determination are included in Appendix E. Although the Coriolis meter is capable of simultaneously determining density, this document does not address its use as a stand-alone densitometer. See API MPMS Chapter 14.6 for density matters. The Department incorporated this standard by reference into the regulations on March 29, 2012 [77 FR 18921], and API reaffirmed the standard without substantive change in November 2013.

12. API MPMS, Chapter 6—Metering Assemblies, Section 1—Lease Automatic

Custody Transfer (LACT) Systems, Second Edition, May 1991, Reaffirmed May 2012.

This publication describes the metering function of a Lease Automatic Custody Transfer (LACT) unit and is intended to complement API Specification II N,

Specification for Lease Automatic Custody Transfer (LACT) Equipment. The Department incorporated this standard by reference into the regulations on December 28, 1999 [64 FR 72791], and API reaffirmed the standard without substantive change in May 2012.

13. API MPMS, Chapter 6—Metering Assemblies, Section 6—Pipeline Metering Systems, Second Edition, May 1991, Reaffirmed December 2017.

This publication deals with the operation and special arrangements of meters, provers, manifolding, instrumentation, and accessory equipment used to measure the loading and unloading of marine bulk carriers. The information provided in this publication is applicable to shore-to-carrier-to-shore measurements of crude oils and refined products. These procedures are not intended to apply to hydrocarbons that require specialized measurements and handling equipment, such as liquefied natural gas (LNG). The Department incorporated this standard by reference into the regulations on December 28, 1999 [64 FR 72791], and API reaffirmed the standard without substantive change in December 2017.

14. API MPMS, Chapter 6—Metering Assemblies, Section 7—Metering Viscous Hydrocarbons, Second Edition May 1991, Reaffirmed March 2018.

This chapter defines viscous hydrocarbons and describes the difficulties that arise when viscous hydrocarbons are raised to high temperatures. The effects of such temperatures on meters, auxiliary equipment, and fittings are discussed. Further, advice and warnings to overcome or mitigate difficulties are included. The Department incorporated this standard by reference into the regulations on December 28, 1999 [64 FR 72791], and API reaffirmed the standard without substantive change in March 2018.

15. API MPMS, Chapter 10—Sediment and Water, Section 1—Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method, Third Edition November 2007, Reaffirmed October 2012.

This test method determines the sediment in crude oils and fuel oils by extraction with toluene. The Department incorporated this standard by reference into the regulations on April 28, 2010 [75 FR 22224], and API reaffirmed the standard without substantive change in October 2012.

16. API MPMS, Chapter 12—Calculation of Petroleum Quantities, Section 2—

Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 1—Introduction, Second Edition May 1995, Reaffirmed March 2014.

This document provides standardized calculation methods for the quantification of liquids and the determination of base prover volumes under defined conditions, regardless of the point of origin or destination or the units of measure required by governmental customs or statute. The criteria contained in this document allow different entities using various computer languages on different computer hardware (or manual calculations) to arrive at identical results using the same standardized input data. The Department incorporated this standard by reference into the regulations on December 28, 1999 [64 FR 72791], and API reaffirmed the standard without substantive change in March 2014.

17. API MPMS, Chapter 12—Calculation of Petroleum Quantities, Section 2—

Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 2—Measurement Tickets, Third Edition, June 2003, Reaffirmed February 2016.

This document provides standardized calculation methods for the quantification of liquids and the determination of base prover volumes under defined conditions, regardless of the point of origin or destination or the units of measure required by governmental customs or statute. The criteria contained in this document allow different entities using various computer languages on different computer hardware (or manual

calculations) to arrive at identical results using the same standardized input data. The Department incorporated this standard by reference into the regulations on March 15, 2007 [72 FR 12094], and API reaffirmed the standard without substantive change in February 2016.

18. API MPMS Chapter 12—Calculation of Petroleum Quantities, Section 2—

Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 3—Proving Reports, First Edition, October 1998, Reaffirmed May 2014.

This document provides standardized calculation methods for the determination of meter factors under defined conditions, regardless of the point of origin or destination or units of measure required by governmental customs or statute. The criteria contained here will allow different entities using various computer languages on different computer hardware (or by manual calculations) to arrive at identical results using the same standardized input data. This document also specifies the equations for computing correction factors, including the calculation sequence, discrimination levels, and rules for rounding to be employed in the calculations. The Department incorporated this standard by reference into the regulations on March 29, 2012 [77 FR 18921], and API reaffirmed the standard without substantive change in March 2014.

19. API Manual of Petroleum Measurement Standards (MPMS) Chapter 12—

Calculation of Petroleum Quantities, Section 2—Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 4—Calculation of Base Prover Volumes by the Waterdraw Method, First Edition, December 1997, Reaffirmed September 2014.

This document provides standardized calculation methods for the quantification of liquids and the determination of base prover volumes under defined conditions, regardless of the point of origin or destination or units of measure required by

governmental organizations. The criteria contained in this document allow different individuals, using various computer languages on different computer hardware (or manual calculations), to arrive at identical results using the same standardized input data. This publication rigorously specifies the equations for computing correction factors, rules for rounding, the sequence of the calculations, and the discrimination levels of all numbers to be used in these calculations. The Department incorporated this standard by reference into the regulations on March 29, 2012 [77 FR 18921], and API reaffirmed the standard without substantive change in September 2014.

20. API MPMS, Chapter 14.5/GPA Standard 2172-09, Calculation of Gross Heating Value, Relative Density, Compressibility and Theoretical Hydrocarbon Liquid Content for Natural Gas Mixtures for Custody Transfer, Third Edition, January 2009, Reaffirmed February 2014.

This standard provides criteria and procedures for designing, installing, and operating continuous density measurement systems for Newtonian fluids in the petroleum, chemical, and natural gas industries. The Department incorporated this standard by reference into the regulations on April 28, 2010 [75 FR 22224], and API reaffirmed the standard without substantive change in February 2014.

21. API MPMS Chapter 21—Flow Measurement Using Electronic Metering Systems, Section 2—*Electronic Liquid Volume Measurement Using Positive Displacement and Turbine Meters*, First Edition, June 1998, Reaffirmed October 2016.

This standard provides guidance for effective utilization of electronic liquid measurement systems for custody transfer measurement of liquid hydrocarbons:

- (1) Within the scope and field of application of API MPMS Chapter 12.2.,
- (2) Which are single-phase liquids at measurement conditions,
- (3) For systems utilizing turbine or positive displacement meters, and

(4) For systems using on-line CTL and CPL compensation.

The Department incorporated this standard by reference into the regulations on March 29, 2012 [77 FR 18921], and API reaffirmed the standard without substantive change in October 2016.

Procedural Matters

Regulatory Planning and Review (E.O. 12866, 13563, and 13771)

Executive Order (E.O.) 12866 provides that the OMB Office of Information and Regulatory Affairs (OIRA) will review all significant rules. OIRA has determined that this rule is not significant.

E.O. 13563 reaffirms the principles of E.O. 12866 while calling for improvements in the Nation's regulatory system to promote predictability, to reduce uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. E.O. 13563 directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. E.O. 13563 further emphasizes that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. We have developed this rule in a manner consistent with these requirements in that the continued use of the reaffirmed standards promotes predictability, reduces uncertainty, and provides no additional burden.

E.O. 13771 of January 30, 2017, directs Federal agencies to reduce the regulatory burden on regulated entities and control regulatory costs. E.O. 13771, however, applies only to significant regulatory actions, as defined in Section 3(f) of E.O. 12866. Thus, E.O. 13771 does not apply to this rulemaking.

Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires an agency to prepare a regulatory flexibility analysis for rules unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The RFA applies only to rules for which an agency is required to first publish notice of a proposed rule. (See 5 U.S.C. 603(a) and 604(a)). For the reasons described above, this rule is exempt from the notice publication requirement of the APA, therefore, the RFA does not apply.

Small Business Regulatory Enforcement Fairness Act

This rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This rule:

- (1) Does not have an annual effect on the economy of \$100 million or more;
- (2) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and
- (3) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

Unfunded Mandates Reform Act of 1995

This rule does not impose an unfunded mandate on State, local, or tribal governments, or the private sector of more than \$100 million per year. The rule does not have a significant or unique effect on State, local, or tribal governments or the private sector. Therefore, a statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) is not required.

Takings Implication Assessment (E.O. 12630)

This rule does not effect a taking of private property or otherwise have takings implications under E.O. 12630. Therefore, a takings implication assessment is not required.

Federalism (E.O. 13132)

Under the criteria in section 1 of E.O. 13132, this rule does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement. To the extent that State and local governments have a role in Outer Continental Shelf activities, this rule will not affect that role. Therefore, a federalism summary impact statement is not required.

Civil Justice Reform (E.O. 12988)

This rule complies with the requirements of E.O. 12988. Specifically, this rule:

- (1) Meets the criteria of section 3(a) requiring that all regulations be reviewed to eliminate errors and ambiguity and be written to minimize litigation; and
- (2) Meets the criteria of section 3(b)(2) requiring that all regulations be written in clear language and contain clear legal standards.

Consultation with Indian Tribes (E.O. 13175 and Departmental Policy)

The Department of the Interior strives to strengthen its government-to-government relationship with Indian tribes through a commitment to consultation with Indian tribes and recognition of their right to self-governance and tribal sovereignty. This rule has been evaluated under the Department of the Interior's consultation policy, under Departmental Manual Part 512 Chapters 4 and 5, and under the criteria in E.O. 13175. It has been determined that the rule will have no substantial direct effects on Federally-recognized Indian tribes or Alaska Native Claims Settlement Act (ANCSA) Corporations, and that consultation under the Department of the Interior's tribal and ANCSA consultation policies is not required.

Paperwork Reduction Act (PRA) of 1995

This rule does not contain new information collection requirements, and a submission to the OMB under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) is not required.

National Environmental Policy Act

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the National Environmental Policy Act of 1969 (NEPA) is not required because, as a regulation of an administrative nature, this rule is covered by a categorical exclusion (*see* 43 CFR 46.210(i)). BSEE also determined that the rule does not implicate any of the extraordinary circumstances listed in 43 CFR 46.215 that would require further analysis under NEPA. Therefore, a detailed statement under NEPA is not required.

Data Quality Act

In developing this rule, we did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. 106-554, app. C, sec. 515, 114 Stat. 2763, 2763A-153-154).

Effects on the Nation's Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211. The rule is not likely to have a significant adverse effect on the supply, distribution, or use of energy. A Statement of Energy Effects is not required.

Clarity of this Regulation

We are required by E.O. 12866, E.O. 12988, and by the Presidential Memorandum of June 1, 1998, to write all rules in plain language. This means that each rule we publish must:

- (1) Be logically organized;
- (2) Use the active voice to address readers directly;
- (3) Use clear language rather than jargon;
- (4) Be divided into short sections and sentences; and
- (5) Use lists and tables wherever possible.

If you feel that we have not met these requirements, send us comments by one of the methods listed in the **ADDRESSES** section. To better help us revise the rule, your

comments should be as specific as possible. For example, you should tell us the numbers of the sections or paragraphs that you find unclear, which sections or sentences are too long, the sections where you feel lists or tables would be useful, *etc.*

List of Subjects in 30 CFR Part 250

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Incorporation by reference, Investigations, Oil and gas exploration, Penalties, Pipelines, Reporting and recordkeeping requirements, Sulfur.

Casey Hammond,
Principal Deputy Assistant Secretary,
Land and Minerals Management.

For the reasons stated in the preamble, BSEE amends 30 CFR part 250 as follows:

**PART 250—OIL AND GAS AND SULFUR OPERATIONS IN THE OUTER
CONTINENTAL SHELF**

1. The authority citation for part 250 continues to read as follows:

Authority: 30 U.S.C. 1751, 31 U.S.C. 9701, 33 U.S.C. 1321(j)(1)(C), 43 U.S.C.
1334.

Subpart A—General

2. Amend § 250.198 by revising paragraphs (e)(8), (9), (11), (12), (14), and (16), (e)(20) through (24), (e)(26) through (28), (e)(34), (e)(43) through (46), and (e)(50) and (55) to read as follows:

§ 250.198 Documents incorporated by reference.

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(e) * * *

(8) API MPMS Chapter 2—Tank Calibration, Section 2A—Measurement and Calibration of Upright Cylindrical Tanks by the Manual Tank Strapping Method, First Edition, February 1995; reaffirmed August 2017; incorporated by reference at § 250.1202;

(9) API MPMS Chapter 2—Tank Calibration, Section 2B—Calibration of Upright Cylindrical Tanks Using the Optical Reference Line Method, First Edition, March 1989; reaffirmed April 2019 (including Addendum 1, October 2019); incorporated by reference at § 250.1202;

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(11) API MPMS Chapter 3—Tank Gauging, Section 1B—Standard Practice for Level Measurement of Liquid Hydrocarbons in Stationary Tanks by Automatic Tank Gauging, Second Edition, June 2001; reaffirmed February 2016; incorporated by reference at § 250.1202;

(12) API MPMS Chapter 4—Proving Systems, Section 1—Introduction, Third Edition, February 2005; reaffirmed June 2014; incorporated by reference at § 250.1202;

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(14) API MPMS Chapter 4—Proving Systems, Section 4—Tank Provers, Second Edition, May 1998, reaffirmed May 2015; incorporated by reference at § 250.1202;

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(16) API MPMS Chapter 4—Proving Systems, Section 6—Pulse Interpolation, Second Edition, May 1999; Errata April 2007; reaffirmed October 2013; incorporated by reference at § 250.1202;

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(20) API MPMS Chapter 5—Metering, Section 2—Measurement of Liquid Hydrocarbons by Displacement Meters, Third Edition, September 2005; reaffirmed July 2015; incorporated by reference at § 250.1202;

(21) API MPMS Chapter 5—Metering, Section 3—Measurement of Liquid Hydrocarbons by Turbine Meters, Fifth Edition, September 2005; reaffirmed August 1, 2014; incorporated by reference at § 250.1202;

(22) API MPMS Chapter 5—Metering, Section 4—Accessory Equipment for Liquid Meters, Fourth Edition, September 2005; reaffirmed August 2015; incorporated by reference at § 250.1202;

(23) API MPMS Chapter 5—Metering, Section 5—Fidelity and Security of Flow Measurement Pulsed-Data Transmission Systems, Second Edition, August 2005; reaffirmed August 2015; incorporated by reference at § 250.1202;

(24) API MPMS Chapter 5 - Metering, Section 6 - Measurement of Liquid Hydrocarbons by Coriolis Meters; First Edition, October 2002; reaffirmed November 2013; incorporated by reference at § 250.1202;

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(26) API MPMS Chapter 6—Metering Assemblies, Section 1—Lease Automatic Custody Transfer (LACT) Systems, Second Edition, May 1991; reaffirmed May 2012; incorporated by reference at § 250.1202;

(27) API MPMS Chapter 6—Metering Assemblies, Section 6—Pipeline Metering Systems, Second Edition, May 1991; reaffirmed December 2017; incorporated by reference at § 250.1202;

(28) API MPMS Chapter 6—Metering Assemblies, Section 7—Metering Viscous Hydrocarbons, Second Edition, May 1991; reaffirmed March 2018; incorporated by reference at § 250.1202;

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(34) API MPMS Chapter 10—Sediment and Water, Section 1—Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method, Third Edition, November 2007; reaffirmed October 2012; incorporated by reference at § 250.1202;

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(43) API MPMS, Chapter 12 - Calculation of Petroleum Quantities, Section 2 - Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 1 - Introduction, Second Edition, May 1995; reaffirmed March 2014; incorporated by reference at § 250.1202;

(44) API MPMS, Chapter 12 - Calculation of Petroleum Quantities, Section 2 - Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 2 - Measurement Tickets, Third Edition, June 2003; reaffirmed February 2016; incorporated by reference at § 250.1202;

(45) API MPMS Chapter 12—Calculation of Petroleum Quantities, Section 2—Calculation of Petroleum Quantities Using Dynamic Measurement Methods and

Volumetric Correction Factors, Part 3—Proving Reports; First Edition, October 1998, reaffirmed March 2014; incorporated by reference at § 250.1202(a) and (g);

(46) API MPMS Chapter 12—Calculation of Petroleum Quantities, Section 2—Calculation of Petroleum Quantities Using Dynamic Measurement Methods and Volumetric Correction Factors, Part 4—Calculation of Base Prover Volumes by the Waterdraw Method, First Edition, December 1997; reaffirmed September 2014; incorporated by reference at § 250.1202(a), (f), and (g);

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(50) API MPMS, Chapter 14.5/GPA Standard 2172-09; Calculation of Gross Heating Value, Relative Density, Compressibility and Theoretical Hydrocarbon Liquid Content for Natural Gas Mixtures for Custody Transfer; Third Edition, January 2009; reaffirmed February 2014; incorporated by reference at § 250.1203;

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(55) API MPMS Chapter 21—Flow Measurement Using Electronic Metering Systems, Section 2—Electronic Liquid Volume Measurement Using Positive Displacement and Turbine Meters; First Edition, June 1998; reaffirmed October 2016; incorporated by reference at § 250.1202(a);

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Subpart L – Oil and Gas Production Measurement, Surface Commingling, and Security

§ 250.1203 [AMENDED]

3. In § 250.1203(b)(4), at the end of the last sentence, add “(incorporated by reference as specified in § 250.198)”.

