

**Oil Conditioning Order 31092 Policy/Guidance**  
**Version 082020**

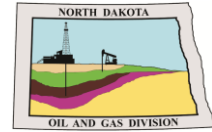
**Policy Goals:**

Improve marketability of crude oil produced from the Bakken Petroleum System

**Action items:**

- 1) Require production equipment of ample capacity that effectively separates the production into gaseous and liquid hydrocarbons;
- 2) From October 1 through March 31, require production facilities utilizing a gas-liquid separator and/or an emulsion heater-treater operating at a pressure of no more than 50 psi on the final stage of separation and heating the produced fluids to a temperature of no less than 110 degrees Fahrenheit; or
- 3) From October 1 through March 31, require production facilities utilizing a gas-liquid separator and/or an emulsion heater-treater operating at a pressure greater than 50 psi on the final stage of separation and heating the produced fluids to a temperature of no less than 110 degrees Fahrenheit while utilizing a vapor recovery system; or
- 4) From October 1 through March 31, require production facilities utilizing a gas-liquid separator and/or an emulsion heater-treater operating at pressures and temperatures other than outlined above, to have a valid vapor pressure test on file with the Commission that demonstrates such system is producing a crude oil Vapor Pressure of Crude Oil (VPCR4) no greater than 14.7 psi or the vapor pressure of stabilized crude oil as defined in the latest version of ANSI/API RP3000, whichever is lower, although VPCR4 testing will not be required on any crude oil that is transported from the point of custody transfer via a transporter implementing a tariff specification as stringent as the Commission's VPCR4 requirement—such tariff must be stated on the Authorization To Purchase And Transport Oil From Lease (Form 8) or verified by the submission of supporting documents if deemed necessary by the Commission;
- 5) All required VPCR4 tests must be performed twice annually in accordance with the latest version of ASTM D6377 by a person sufficiently trained to perform the test and sampled in accordance with ASTM D5842 or D8009 at the point of custody transfer, once between October 1 and December 31 and once between January 1 and March 31 and at least 30 days apart, although additional VPCR4 testing may be required if deemed necessary the Commission;
- 6) A Sundry Notice (Form 4) shall be submitted to the Director within 15 days of conducting any required VPCR4 test which includes a copy of the VPCR4 test

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performed and details the operating capacities, pressures, and temperatures of all well site conditioning equipment at the time of the test;

- 7) Require public hearings to consider alternative oil conditioning methods;
- 8) Periodically inspect production facilities and confirm operator compliance with Commission standards and requirements;
- 9) Prohibit blending crude oil with natural gas liquids;
- 10) Request transload rail facilities to notify the Commission of violators of any federal standards;

On the Fort Berthold Indian Reservation, many Bakken Pools are also within the jurisdiction of the Mandan, Hidatsa and Arikara (MHA) Nation and Bureau of Land Management (BLM). In some cases, companies must comply with MHA Nation, BLM, and Commission rules. The Commission should work with federal and tribal authorities to ensure that restrictions imposed herein provide clarity and protection of correlative rights for the oil and gas companies operating in the respective jurisdictions.

Bruce E. Hicks  
ASSISTANT DIRECTOR  
OIL AND GAS DIVISION

Lynn D. Helms  
DIRECTOR  
DEPT. OF MINERAL RESOURCES