

This memorandum is intended to state the procedure for assessing fees for wellheads and the associated pumping units.

If the pumping unit is powered by an internal combustion engine which requires a permit under the requirements specified in Rule 201 then a fee is assessed in accordance with Fee ScheduleA.3, Fuel Burning Equipment. In addition, for each wellhead, a fee shall be assessed under Fee Schedule A.1, Miscellaneous Equipment.

If the pumping unit is powered by an electric motor, the fee is based on either the electric motor horsepower of the pumping unit in accordance with Fee Schedule A.2, Electric Motor Horsepower or Fee Schedule A.1, Miscellaneous Equipment whichever schedule results in the highest fee.

The reasoning behind this fee schedule interpretation is that in the case of the internal combustion engine as the pumping unit at a wellhead there are two sources of emissions the wellhead and the internal combustion engine. In the case of the electric motor pumping unit at the wellhead there is only one source of emissions.