



Ohio Administrative Code

Rule 5703-3-02 Oil, gas and water production plants.

Effective: December 19, 2020

Certain tangible property used in the oil, gas and water production industry shall be classified as real property or personal property as follows:

General plant facilities

(Common to general oil, gas and water production plants, separate units)

(A) Real property

(1) Land and improvements to land, including retaining walls, piling, and foundations for the improvement of the site; private roads, walks, paving, areaways, culverts, bridges, viaducts, subways and tunnels; fencing, artificial lakes, reservoirs, spray ponds, dams, ditches, and canals; drainage, storm, plant waste, and sanitary sewers.

(2) Buildings and improvements to buildings, including foundations, floors, frames, permanent partitions, walls, roofs, stairways, loading and unloading platforms, and canopies; built-in system for heating, air-conditioning, ventilating, sanitation, fixed fire protection, lighting, plumbing and drinking water; awnings and shades, built-in inter-communicating system including private telephone, telegraph, and auto-call equipment, building elevators, (freight and passenger) and escalators.

(3) Power plant machinery and equipment:

(a) Steam power generating equipment including boilers, settings, breechings, and stacks; fuel storage tanks and bunkers; fuel preparation and handling equipment; special burners for coal, coke, oil or gas; ash handling equipment; fans, motors, turbines, or engines, pumps, piping, valves, fittings and insulation; condensing equipment, cooling towers, and spray pond equipment, air compressors, receivers, etc., and all auxiliary equipment.



- (b) Electric power generating equipment including engines, turbines, generators, motors, exciters, pumps, condensers, coolers, fans, instruments, and all auxiliary equipment; piping, valves, fittings, and insulation; main switchboard complete; transformers, electric power circuits complete with wires, cables, conduits, towers, poles, and incidental equipment on primary side of sub-station switchboard.
- (c) Electric power receiving equipment including main switchboard complete, transformers, converters, electric power circuits, complete with wires, cables, conduits, towers, poles, and incidental equipment on primary side of sub-station switchboard.
- (4) Main water pumping station equipment, including deep wells, intakes, pumps, piping, valves, fittings, and insulation; storage tanks, fixed fire protection systems, storage and pressure water tanks and pressure pumps, piping, valves, fittings, and insulation; hydrants, and sprinkler systems.
- (5) Main service lines for steam, electric power circuits, water or gas.
- (6) Permanent trackage, bridges, trestles, and track scales; water and coaling stations.
- (7) Permanent trackage, and electric power lines for gantry cranes, ore bridges and similar equipment.
- (8) Wagon or truck platform scales.
- (9) Fixed river or lake wharves.
- (10) Gas holders.

The following items in paragraphs (A)(11) to (A)(22) of this rule when installed and located on the premises or leased premises of the owner and used in the recovery or production of water, will be included in the value of the right to the mineral and are to be assessed as real estate as provided in sections 5713.05 and 5713.06 of the Revised Code. The following items in paragraphs (A)(11) to (A)(22) of this rule when installed and located on the premises or leased premises of the owner and used in the recovery or production of oil or gas, shall not be included in the valuation of the right to



the minerals pursuant to sections 5709.112 and 5715.01 of the Revised Code. The values as determined by section 5713.051 of the Revised Code shall be the true value in money of oil reserves and gas reserves constituting real property on the first day of January of each tax year. Items in paragraphs (A)(11) to (A)(22) of this rule are to be classified and assessed as personal property if they are not installed on the leased premises or premises of the owner or if said items are used for the transmission, transportation or distribution of oil, gas or water.

(11) All equipment, supplying power to pumps and pumping jacks, including motors, or engines, gas, gasoline, or diesel; driving pulley for belt to "Bull Wheel"; connector rods and supports.

(12) All casings.

(13) Foot valves and rods for operation of valves.

(14) Sucker rods.

(15) Derricks.

(16) All piping, valves and fittings and supports.

(17) Receiving and storage tanks.

(18) Compressors and engines (gas and air) piping, receivers, etc.

(19) Main distributing switchboard.

(20) Power wiring from switchboard to equipment.

(21) Gas scrubbers.

(22) Cooling water storage tanks.

(B) Personal property



General

- (1) Well drilling equipment.
- (2) Tool pullers.
- (3) All machine shop equipment for repair of equipment and care of tools.
- (4) All portable tools, including swabbing and clean out equipment, as well as all hand tools.
- (5) Office furniture and fixtures.
- (6) Equipment for preparation of sites, road building, grading, etc.

Compressor stations

(Used in transmission, transportation or distribution)

- (7) Compressors and engines (gas and air), piping, receivers, etc.
- (8) Main distributing switchboard.
- (9) Power wiring from switchboard to equipment.
- (10) Reforming gas plant.
- (11) Gas cooling towers, pumps and piping and supports.
- (12) Main steam piping used in production.
- (13) Gas scrubbers.



- (14) Water pumps and piping and supports from compressors to spray pond.
- (15) Spray pond pumps, piping and supports, spray heads.
- (16) Machine shop equipment for maintenance and repair.
- (17) Absorbers and dehydrators; contractors.
- (18) Calorimeters.
- (19) Welding shop and equipment.
- (20) Yard flood lighting.
- (21) Portable fire protection equipment.
- (22) Hoists and cranes.
- (23) Lubricating oil equipment, including storage tanks, pumps, piping, filters, dewatering equipment, settling tanks, etc.; fuel measuring equipment, meters, pressure regulators, etc.
- (24) Lockers.
- (25) Control room, meters, gauges and piping.
- (26) Portable tools, (welders, air compressors and small tools).
- (27) Cooling water storage tanks.
- (28) All other engines, machinery, tools and implements of every kind, including foundations, used or designed to be used in processing, or incidental thereto, with their installation costs, including all equipment ancillary or auxiliary to any of the personalty above listed.



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Freight, cartage and installation costs, including foundations and incidental materials, labor, etc., incurred in erecting any above equipment are to be included as a part of the cost of this equipment.