

If this form was completed by a business with fewer than 20 employees, please provide an estimate of the time taken to complete this form.

Hours

20 Minutes

# APPLICATION FOR A TARIFF CONCESSION ORDER (TCO)

The form should be read carefully before being completed

- (a) Before lodging an application for a TCO, the applicant should determine whether a suitable TCO already exists. Information on existing TCOs is contained in the schedule of Concessional Instruments (SCI), a copy of which is available at each Regional Office of Customs. A TCO can be used by any importer.
- (b) An application will be date stamped on the day it is first received in Canberra by an officer of Customs. Receipt of an application will be acknowledged. Any resultant TCO will operate from the date of receipt. Instructions on how to lodge this form are provided at the end of this form.
- (c) Where an application is accepted as being a valid application, the identity of the applicant and of the importer for whom the applicant is acting will be published in the Gazette.
- (d) Section 269F of the Customs Act 1901 requires that a TCO application to be in writing, be in an "approved form", contain such information as the form requires, and be signed in the manner indicated in the form. This is the approved form for the purposes of that section.
- (e) Section 269FA of the Customs Act 1901 states "It is the responsibility of an applicant for a TCO to establish, to the satisfaction of the Chief Executive Officer (CEO), that, on the basis of:
  - (I) all information that the applicant has, or can reasonably be expected to have; and
  - (ii) all inquiries that the applicant has made, or can reasonably be expected to make:
  - there are reasonable grounds for asserting that the application meets the core criteria". The application is taken to meet the core criteria if, on the day of lodgement of the application, no substitutable goods were produced in Australia in the ordinary course of business.
- (f) Every question on the form must be answered. Failure to supply the information required by this form will result in rejection of the application (and in the loss of operative date).
- (g) Where the form provides Insufficient space to answer a question, an answer may be provided in an attachment. The attachment should clearly identify the question to which it relates.
- (h) All information about inquiries into the production of substitutable goods must relate to the date the application is lodged with Customs.
- (i) Customs may require an applicant to substantiate, with documentary evidence, any information provided in the application form.
- (j) Further information on the Tariff Concession System is available in Part XVA of the Customs Act 1901, in the foreword to the Schedule of Concessional Instruments, in the administrative guidelines in Volume 13 of the Australian Customs Service Manual, in Australian Customs Notice No. 98/19, on the internet at www.customs.gov.au, by e-mailing information@customs.gov.au or by phoning the Customs Information Centre 1300 363 263.

APPLICANT DETAILS (An agent/broker should provide details on the next page) Applicant's Name Australian Business Number (A.B.N.) GENERAL TROLEUM OIL TOOLS PTY LTD 76 072 433 973 Postal Address 4152 CARINA 40 Applicant's Reference Owner Code (if applicable) Position Company Contact Telephone Number Facsimile Number E-mail Address 3823 apotablig pend net au 3317 01 If you do not intend to use the TCO to import into Australia the goods the subject of the application, you must provide, in the section below, the identity of the importer for whom you are acting (refer to paragraph 269F(3)(c) of the Customs Act 1901). Importer's Name (If same as applicant, write "as above") A.B.N. "as above Postal Address Importer's Reference Owner Code Company Contact Position Held Telephone Number Facsimile Number

B443 (JUN 2001)

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Keleased	Freedom

GENT/BROKER DETAILS (if applicable)						
Agent's Name	A.B.N.					
AUZORA CLOBAL LOGISTICS PTY	LTD 50097 144 548					
Postal Address Pu Bux 384 HAMIL	TON QLD 4007					
Agent's Reference	Agency Contact					
IGENPET	s47F					
Telephone Number Facsimile Number 07 3245	OIII Email Address  SATE @awrord logistics.com					
DESCRIPTION OF GOODS						
components of the goods. It should not describe the goods in accordance with section 269SJ of the Customs Act 190 (i) described in terms other than in generic terms; or (ii) described in terms of their intended end use; or (iii) declared by the regulations to be goods to which a Goods will be taken to be described in terms other than in a implication, indicates that they are goods of a particular bra	ods, including the physical features of the goods or the various in terms of what they do.  If, the CEO must <b>not</b> make a TCO in respect of goods:					
1 Describe the goods						
SUCKER ROOS diemales 20	5.4mm (1"), lenyth 7.62m (25ft)					
Joese Nos, diameter 23	5.4mm ( 1) , resign 1.62m (25++)					
***************************************						
	**************************************					
	***************************************					
	·					
ILLUSTRATIVE MATERIAL						
	d/or a sample to enable a full and accurate identification					
TARIFF CLASSIFICATION						
Identify the tariff classification (to 8 figure subheading leading the Identify the General Duty rate 5 %	evel) 84139110					
If a Tariff Advice for the goods has been sought or ob	alned, please provide the TA No.					
or attach a copy.						
USES OF THE IMPORTED GOODS						
4 Describe ALL uses (including design uses) to which the	goods can be put.					
The goods are a steel pun	ping rod used to make up					
the mechanical assembly	between the surface and					
downhole components of a	- rod pumping system					
in cil and/or gas well dvilling	applications					
(See illustration)						

RSTITITABILITY OF LOCALLY BRODUCED COODS
A local manufacturer's goods are substitutable when they are put, or are capable of being put, to a use that corresponds with a use (including a design use) to which the goods the subject of the application can be put (subsection 269B(1) of the Customs Act 1901). Even if not identical, locally made goods may be substitutable.  (b) In determining whether the uses of Australian produced goods correspond with the uses of the goods the subject of the application, the ability of the goods to compete with each other in any market is not relevant.  (c) The applicant must provide written information as to the inquiries made to establish that there are reasonable grounds for believing that there are no producers of substitutable goods in Australia. The application must include a copy of the research material sourced and a copy of correspondence to, and replies from, potential local manufacturers or relevant industry associations. The application
will be rejected if it fails to provide all written information as to the inquiries made.
NOTE: The Australian Customs Service suggests that potential local manufacturers should be given at least 10 working days to respond to inquiries concerning local manufacture.
Provide details of the nature of ALL inquiries you have undertaken in order to establish that substitutable goods are not produced in Australia, and the results of those inquiries. Attach copies of all correspondence or directory searches, etc.
Refer email attached from SAM Cowallaro, General Petroleum Cutaus/L
with respect to searches findings for local manufacturers or
Substitutable goods
We turther conducted inquiries with an industry body and
ble local manufacturers to acterinine it sicker rods or
Substitutable goods were manufactured. The jessits from
all inquiries found that there were no local manufactures
of somer rooms or substitutable goods. Please see attached
<u>listing.</u>
Provide any additional information in support of discharging your responsibility to establish that there are reasonable grounds for asserting that there are no substitutable goods produced in Australia in the ordinary course of business.

Provide any additional information in support of discharging your responsibility to establish that there are reasonable grounds for asserting that there are no substitutable goods produced in Australia in the ordinary course of business.

Refer Tariff Concession Order 9809642 (op. date 05.11.98)

We forther consider that due to both the length of time
the concession has been in cross and that the sicker
rads applicable to the concession only differ in
diameter width that this would strongly re-affirm
that there are no substitutable goods produced in
Aostralia.

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Junder the	nation
by DIBI	of Inforr
Released by DIBP under the	Freedom

.ES	SCRIBED ORGANISATIONS					
7	Have you made inquiries of a prescribed organisation to obtain advice about whether there are producers in Australia of substitutable goods?					
	YES NO If YES, attach a copy of the advice received.					
	Note that under subsection 269M(6) of the <i>Customs Act 1901</i> , the CEO may, despite section 16 of the <i>Customs Administration Act 1985</i> , give a copy of all, or of a part, of the application to a prescribed organisation.					
ADDI	TIONALINFORMATION					
8	Provide any additional information in support of your application.					
	Refer tarity precedent 05052200 for tarify classification (attached).					
I,	S47F Position Held S47F					
Comp	any (if applicable)  AURORA GLOBAL LOCISTICS PTY LTD					
de ele						
	re that:					
1	To the best of my knowledge and belief the information contained in this form is correct; and					
2	I have the authority to act on behalf of the company/applicant; and					
3	lagree, in submitting this form by electronic means (including facsimile) that, for the purposes of Sub-Section 14(3) of the Electronic Transactions Act, this application will be taken to have been lodged when it is first received by an officer of Customs, or if by e-mail, when it is first accessed by an officer of Customs, as specified in Sub-Section 269F(4) of the Customs Act.					
Signa	ture of Applicant/Agent/Broker  S47F  Date  S / 1 / C / G					

NOTE: SECTION 234 OF THE CUSTOMS ACT 1901 PROVIDES THAT IT IS AN OFFENCE TO MAKE A STATEMENT TO AN OFFICER THAT IS FALSE OR MISLEADING IN A MATERIAL PARTICULAR.

# WHEN THIS FORM HAS BEEN COMPLETED LODGE IT WITH CUSTOMS BY:

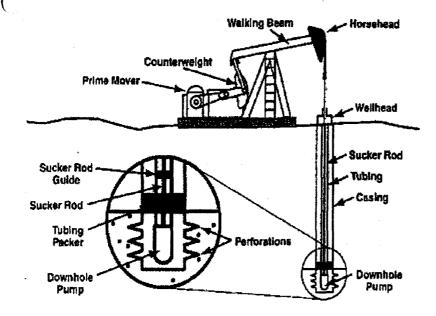
- posting it by prepaid post to the National Manager, Tariff Branch Australian Customs Service Customs House 5 Constitution Avenue CANBERRA ACT 2601
  - or
- delivering it to the ACT Regional Office located at Customs House, Canberra

\_

sending it by facsimile to (02) 6275 6376

or

· e-mailing it to tarcon@customs.gov.au.





09/01/2009

# Searches, for local manufacturers/substitutable goods

Boart Longyear,
Born Drilling,
AFKOS Industries,
Werner Tool Company,
Age Development,
Asahi Diamond Industrial,
Petromaterials Aust Pty,
Orrcon Operations Pty Ltd,
West Rod Engineering,

Australian Drilling Industry Association,



All business is transacted subject to our general trading conditions, copies of which are available on request.

IMPORTANT: The contents of this facsimile (including attachments) may be priveleged and confidential. Any unauthorised use of the contents is expressly prohibited. If you have received the document in error, please advise us by telephone immediately and then shred the document. Thank you.

Aurora Global Logistics Pty Ltd Unit 3, 1 Wyuna Court Hemmant, QLD 4174 Australia PO Box 384

Hamilton QLD 4007 Australia

Telephone +61 7 3295 0100 Facsimile +61 7 3295 0111

www.a<u>urora</u>logistics.com E-Mail:<sup>\$47F</sup>@auroralogistics.com s47F

From:

General Petroleum Oil Tools Pty Ltd [gpot@bigpond.net.au]

Sent:

Friday, 9 January 2009 6:56 AM

To:

s47F

Subject:

Tariff Concession Application

Attachments: \_AVG certification\_.txt

s47

- 1. Petro materials are Chinese made and the website you refer to are only an agent for the Chinese company.
- 2. Unable to provide any correspondence with local manufacturers as I have been unable to find any local manufacturers.
- 3. Search Engine results with " Sucker rods Australian Made "
- a. Alibaba.com Found 1 x match only for a company called <a href="http://www.petrostuff.com.au/index.html">http://www.petrostuff.com.au/index.html</a> ( Petro Materials ) these are Chinese made and have a sales agent only in Australia.
- b. <a href="http://www.searchengineguide.com/pages/Business/Mining\_and\_Drilling/index.html">http://www.searchengineguide.com/pages/Business/Mining\_and\_Drilling/index.html</a> Found No match to local suppliers
- c. http://www.zibb.com/ Found no match to local suppliers
- d. http://www.steelonthenet.com/search.html Found no match to local suppliers
- e. http://www.google.com.au/webhp?sourceid=navclient&ie=UTF-8 found no match to local suppliers
- As we have discussed before all sucker rods are made in Canada, USA, China and Brazil in searching the above Search Engines I found no direct or indirect link or reference to Australian made ( Substitutable ).
- The only difference from the current concession # 9809842 is the 1" Sucker Rod have a larger diameter. This product is used in exactly the same application as the 5/8" and 3/4" sucker rods are.

Please advise if I need to provide any more information.



Page 1 of 1

Tariff Code:8 413.91.10
Precedent ID: 05052200
Status Date: 02/04/91
InstrumentN o:N one

Sucker rods being pump parts.

Identified as a pumping rod. HSEN to 8413 para. re "Parts" refers.

Chg. Date: 20/01/06



Page 1 of 1

Tariff Code:8 413.91.10 Reference No: 9809842 Schedule4 Item:5 0

**SUCKER RODS**, diameter 15.8 mm to 22.3 mm (5/8" to 7/8"), length 7.62 m (25 ft) Op. 05.11.98 Dec. date 15.01.99 - TC 9809842 50

8413.91.10	Stated Use: Used to make up the med	25.4mm (2"), length 7.62m (2")  Tological Street DM  Chanical assembly between the of a rod pumping system	- doesn't he	TC 0900116 TC 0900116 TC amy specific	522(1)(a)(ii)
	Applicant: General Pet: Notes TCOs existing Tariff Advice Q5	YES NO			10/1
	LM Research IDM	e check words and use		I spoke to SATE	who speak to safe
9		s22(1)(a)(ii)	15/01/0	12 garding spa	veoday 271,109 explosions )(a)(1)
		<b>s22(1)(a)(ii)</b> Trade Servi		I rang + Spo sate who	will forwere
4				11 4 1	27/1/09.

More

# MINUTE PAPER CENTRAL OFFICE

TR5		TC Number	0900116
Please provide a Tapplication	ariff Classification for t	the goods subject of this Ta	riff Concession
TC Officer:	WHITE - 1992		
OP Date:	09-Jan-09		
APPLICANT:	Petroleum Oil Tools		
GOODS:	Sucker Rods		
CLAIMED CLA	SSIFICATION:	8413.91.10	
Date to Classificat	ion Section:		
Required Return I	Date: Date to Class plus	3	
TA No. & CLASS	SIFICATION:		
CLASSIFICATION	ON DECISION:	8413	91 10
	CTED BY REG. 185?	No RATE:	5%
IDENTIFICATIO	N OF GOODS:	Jucker rolls	
HEADINGS CON	ISIDERED: 84/3	100 TEST (100 TEST)	2000
COMMENTS AN	D CHAPTER NOTES:	IRI+6. Gods	are part of
a- oil and	I gas well pun	p. HSEN Note &	or 8413 directs
tlese goods	· to be classed	p. HSEN Note & I under this hi	ending.
			<i>J</i>
( <del>-                                    </del>			******
RETURNED TO	TARIFF CONCESSION	NS BY:	
NAME & DATE:	s22(1)(a)(ii)		16/1/09

# **How Oil Drilling Works**

by Craig Freudenrich, Ph.D.

More Science Videos »

# **Extracting the Oil**

After the rig is removed, a pump is placed on the well head.

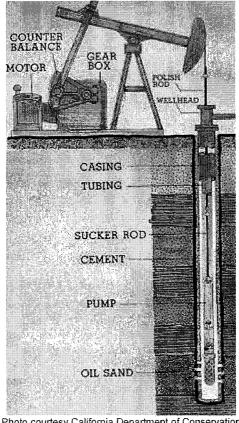


Photo courtesy <u>California Department of Conservation</u>

Pump on an oil well

In the pump system, an <u>electric motor</u> drives a <u>gear box</u> that moves a <u>lever</u>. The lever pushes and pulls a **polishing rod** up and down. The polishing rod is attached to a **sucker rod**, which is attached to a **pump**. This system forces the pump up and down, creating a suction that draws oil up through the well.

In some cases, the oil may be too heavy to flow. A second hole is then drilled into the reservoir and steam is injected under pressure. The heat from the steam thins the oil in the reservoir, and the pressure helps push it up the well. This process is called **enhanced oil recovery**.



# s22(1)(a)(ii)

From:

s47F

Sent:

Wednesday, 28 January 2009 15:12

To:

s22(1)(a)(ii)

Subject:

Tariff Concession Application - Rewording (Sucker Rods)

Attachments: Sucker Rods.pdf

# Hi s22(1)

Further to our conversation yesterday, please reword tariff concession application as follows:-

SUCKER RODS, having BOTH of the following:

- (a) diameter NOT greater than 25.4mm (1")
- (b) length NOT greater than 7.62m (25 ft)

With regards to the imperial measurements in brackets, our client advises that industry generally refers to sucker rods sizes in imperial measure. I have attached document for example. If the concession can be worded with the imperial measurements it may assist in referencing to tariff concession claims should the concession be made.

If you require any further information please contact me.

# Regards

#### s47F

Aurora Global Logistics Pty Ltd Dockwise Yacht Transport B.V 3/1 Wyuna Court

Hemmant Queensland 4174

Australia

Tel: + 61 7 3295 0100 Fax: + 61 7 3295 0111

Cell: \$47F

www.auroralogistics.com www.yacht-transport.com.au



s47F

Signature



# SUCKER ROD PUMP

QUESTIONS OR COMMENTS



MAIN FUNCTIONAL REQUIREMENT: Draw subterranean fluid to surface.

**DESIGN PARAMETER:** Sucker Rod Pump

Pump consisting of four bar linkage, plunger, and valve assemblies.

#### GEOMETRY/STRUCTURE:

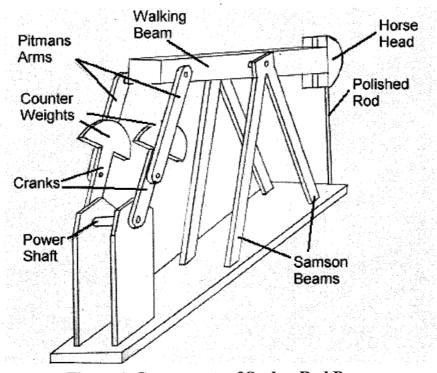


Figure A Components of Sucker Rod Pump

A motor and gearbox supply power to turn the power shaft. There is a counterweight at the end of the crank. A pitman arm is attached to the crank and it moves upward when the crank moves counterclockwise. The Samson arms support the walking beam. The walking beam pivots and lowers or raises the plunger. The rod attaches the plunger to the horsehead. The horsehead (not rigidly attached) allows the joint (where rod is attached) to move in a vertical path instead of following an arc. Every time the plunger rises, oil is pumped out through a spout. The pump consits of a four bar linkage is comprised of the crank, the pitman arm, the walking beam, and the ground.

# E LANATION OF HOW IT WORKS/ IS USED:

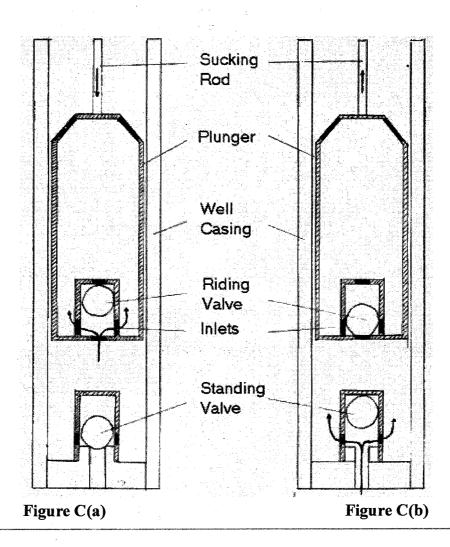
# Crank Shaft & Pitman Arm In-Line Max Pump Angle Plunger Fully Submerged

Figure B: Operational Detail of Sucker Rod Pump

Here the plunger is shown at its lowest position. The pitman arm and the crank are in-line. The maximum pumping angle, denoted as theta in the calculations, is shown. L is the stroke length. After one stroke, the plunger moves upward by one stroke length and the walking beam pivots. The crank also rotates counterclockwise. At the end of the upstroke the pitman arm, the crank, and the walking beam are in-line.

For name and location of parts, see Figure A.

- 1. A motor supplies power to a gear box. A gearbox reduces the angular velocity and increases the torque relative to this input.
- 2.As shown in Fi gure B, (the crank turns counterclockwise) and lifts the counterweight. Since the crank is connected to the walking beam via the pitman arm, the beam pivots and submerges the plunger. Figure B also shows the horsehead at its lowest position. This marks the end of the down stroke. Note that the crank and the pitman arm are in-line at this position.
- 3.T he upstroke raises the horsehead and the plunger, along with the fluid being pumped. The upstroke begins at the point shown in Figure B. At the end of the upstroke, all joints are in-line. This geometric constraint determines the length of the pitman arn.
- 4.Fi gures C(a) and C(b) show the plunger and ball valves in more detail. These valves are opened by fluid flow alone. On the upstroke, the riding valve is closed and the standing valve is open. Fluid above and within the plunger is lifted out of the casing while more fluid is pumped into the well. On the down stroke, the riding valve is opened and the standing valve is closed. Fluid flows into the plunger and no fluid is allowed to leave the well.



# **DOMINANT PHYSICS & DESIGN:**

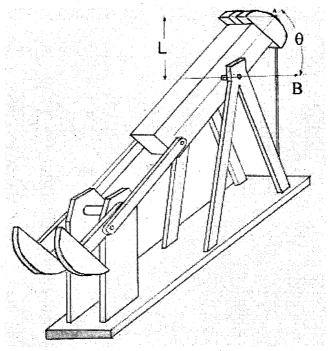


Figure D: Variable Descriptons For SRP

Table 1: Variable Descriptions, Values and Units

<i>-</i> .			*
iable	<b>Description</b>	Typical Value	<u>Units</u>
θ	Full Pump Angle	<b></b> .	degrees
Fl	Total Force Pump must exert		lbs
Ff	Weight of Fluid		lbs
Fr	Weight of the Rods		lbs
Fc	Weight of counterweight		lbs
Fb	Buoyant force on rods	<u></u>	lbs
w	Rod weight per unit length		lbs/ft
Lr	Length of one rod	25 - 30 <sup>§</sup>	ft
Nr	Number of Rods		
Pi	Input Power	4000 <sup>§§</sup>	psi
h	Depth of Well	10,000 \$\$\$	ft
ρ	Fluid Density	<u> </u>	lbm/in^3
g	Gravitational Acceleration Constant	~9.8	m/s^2
L	Stroke Length	16 - 192 <sup>§§§§</sup>	in
T	Required Pumping Torque	6,400 - 912,000 <sup>§§§§</sup>	in-lb
Vf	Fluid Volume per Stroke	· <del></del>	ft^3
Ar	Rod Cross sectional area	<del>-</del>	psi
Sy	Yield Strength of Rod		psi
Ap	Plunger Cross Sectional Area		psi
§	Reference 1, pp. 9.279		
§§	Reference 1, pp. 9.277		:
<b>§§</b> §	Reference 1, pp. 9.277		
<b>§§§§</b>	Reference 1, pp. 9.282		. •
2222			

To design a sucker rod pump, the depth of the well must first be determined. This value is then used to calculate the amount of fluid that can be pumped per stroke. This amount is the volume of fluid that fits in a cylinder of height L and cross sectional area Ap.

# Vf = Ap L

§§§§§ Reference 1, pp. 9.282

This volume is then multiplied by the density of the fluid and by the g to find the weight of the column of fluid the pump must lift.

The pump must also provide enough power to lift the sucker rods (see Figure A). Manufacturers specify typical values of weight per unit length, w, for the rods they make. This number is multiplied by the length of one rod, Lr, and by the number of rods, Nr.

$$Fr = w Lr Nr$$

Since the rods are submerged in fluid, a buoyant force is present. This force is found using Archimedes' Principle. It states that the buoyant force a submerged object feels is equal to the weight of the fluid it displaces. Therefore, the volume of displaced fluid is equal to the submerged volume of the rods. The weight of this fluid is equal to this volume multiplied by the fluid's density and g. To obtain the volume of the rods, we multiply their cross sectional area by their total length.

$$Fb = Ar Nr Lr \rho g$$

Now the total load the pump must lift can be calculated.

$$Fl = Ff + (Fr - Fb)$$

Two things must be noted. First, the above analysis is very rough and does not include additional factors such as impulse forces. For more detail, see Reference 1, page 9.283. Also, the forces described above vary with time and this must be taken into account.

The stroke length of the pump is the vertical distance the plunger travels in one stroke. This length depends on the amount of fluid being pumped. Once the stroke length is known, the geometry of the four bar linkage can be determined. To avoid excessive wear of the machinery, it is good engineering practice to reduce the number of cycles the pump completes per unit of time. In order to do this more fluid should be pumped per cycle. In order to increase the fluid displacement, the stroke length should be maximized. Typical values for stroke length vary from 16 to 192 inches (see Reference 1, pp. 9.282). The stroke length can be used to calculate the torque required to pump the oil according to the following formula.

$$T = C L Fl$$

Here, C is a function of the geometry of the four bar linkage and the force the counterweight exerts on the crank (see Reference 1, pp. 9.283). Typical values for torque range from 6,400 to 912,000 in-lb (see Reference 1, pp. 9.282).

On the upstroke, two forces help pump the oil from the well. The first is the "force" supplied from the torque produced by the motor and gearbox. The second force comes from the weight of the counterweight as it falls (see Figure C).

# LIMITING PHYSICS:

Care must be taken to choose a cross sectional area large enough so that the rods do not yield. This area can be found by dividing the total tensile load by the yield stress of the material.

$$Ay = F1 / Sy$$

The area of the rods must be greater than this area. This is a minimum. Fatigue affects (function of material and loadking) will require a larger value.

#### **EFFICIENCY:**



Tľ	fficiency of the sucker rod pump can be defined as the volume of oil it actually pumps divided by the
v(	me it can theoretically pump. When the well is initially drilled, the oil contains a lot of gas. This gas
dis	places a small volume of oil at the beginning. This volume decreases eventually. The volumetric efficiency
of t	his type of pump is rated at about 80%. (see Reference 1, pp. 9.277)

#### PLOTS/GRAPHS/TABLES:

None Submitted

# WHERE TO FIND SUCKER ROD PUMPS:

Sucker rod pumps are used primarily to draw oil from underground reservoirs. The mechanisms it employs however are found in a wide variety of machines. The four bar linkage can be found on door dampers, on automobile engines, and on devices such as the lazy tong. The Sterling engines manufactured in 2.670 also use a linkage similar to the one used by the pump.

#### REFERENCES/MORE INFORMATION:

- 1) Karassik, Igor J. et al, Pump Handbook. pp. 9.278-9.285, McGraw-Hill, New York, 1986.
- 2) Sucker Rod Pump (From the Internet Glossary of Pumps)

URL: http://www.animatedsoftware.com/pumpglos/suckerro.htm

 ${\tt ADMINISTRATIVE:}$ 

Home | General Info | Syllabus

STUDENT RESOURCES: Gear Pump Resources | Workshops | Labs | Field Trips | Final Reports | Design Tools

MISCELLANEOUS:

Students | Prizes | Machine Gallery | Class Gallery | Comments | Links | Sponsors

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# Released by DIBP under the Freedom of Information Act 1982



From:

s47F

Sent:

Thursday, 29 January 2009 11:51

To:

s22(1)(a)(ii)

Subject: RE: Tariff Concession Application - Rewording (Sucker Rods)

Good morning \$22(1)

Further to our last conversation, we would like to proceed with the final wording as per recommendation from the policy section.

PARTS, OIL AND GAS WELL PUMP, being sucker rods

Many thanks for your assistance.

Regards

s47F

Aurora Global Logistics

From: \$47F

Sent: Wednesday, 28 January 2009 2:12 PM

To: s22(1)(a)(ii) @customs.gov.au'

**Subject:** Tariff Concession Application - Rewording (Sucker Rods)

Hi s22(1)

Further to our conversation yesterday, please reword tariff concession application as follows:-

SUCKER RODS, having BOTH of the following:

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- (b) length NOT greater than 7.62m (25 ft)

With regards to the imperial measurements in brackets, our client advises that industry generally refers to sucker rods sizes in imperial measure. I have attached document for example. If the concession can be worded with the imperial measurements it may assist in referencing to tariff concession claims should the concession be made.

If you require any further information please contact me.

Regards

s47F

Aurora Global Logistics Pty Ltd Dockwise Yacht Transport B.V 3/1 Wyuna Court Hemmant Queensland 4174 Australia

Page 2 of 2



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F8 + 61 7 3295 0111
Cell: +s47F
@auroralogistics.com
www.auroralogistics.com
www.yacht-transport.com.au

# 22(1)(a)(ii)

Sent:

luesday, 17 February 2009 09:16

To: Cc:

Subject:

RE: TA 19232800 - Sucker Rods [SEC=UNCLASSIFIED]

Security Classification:

**UNCLASSIFIED** 

Wikipedia is not a reliable authority (or an authority at all for that matter) as it can be written by anyone, the MacQuarie is recognised by the courts, it defines mining as

# mining

/ (say 'muyning)

noun 1. the action, process, or industry of extracting ores, etc., from mines.

2. the action of laying explosive mines.  $[\underline{\text{mine}}^2 + \underline{-\text{ing}}^1 \underline{\text{mine}}^2]$ 

# and Mine/ (say muyn)

noun 1. an excavation made in the earth for the purpose of getting out ores, precious stones, coal, etc.

- 2. a place where such minerals may be obtained, either by excavation or by washing the soil.
- 3. a deposit of such minerals, either under the ground or at its surface.

In the HSEN to 8430 (iii) (D) it differentiates between mining and oil well prospecting.

Our veiw is that drilling for oil is not mining, mining is the process of extracting ores etc by excavating the earth as oer above

regards

n | Australian Customs and Border Protection Service |@<mark>s22(1)(a)(ii)</mark>

**≜039244 8680 |⊵**s22(1)(a)(ii)

customs.gov.au



Please consider the environment before printing this e-mail

From: Sent: s22(1)(a)(ii)

Monday, 9 February 2009 11:40

To: Cc: Subject:

---(-)(-)(-)

TA 19232800 - Sucker Rods [SEC=UNCLASSIFIED]

⊣j s22(1)(a)

I have a query about TA 19232800 concerning sucker rods being classified to 8413.91.90 "other" instead of 8413.91.10 "specially designed for use in the mining or metallurgical industries ....". The sucker rods are parts of an oil and gas well pump. I believe that the goods should be classified to 8413.91.10 as I consider an oil and gas well pump to be used in the mining industry as oil and gas pumping is a form of mining. Wikipedia gives the following definition of mining:

Mining is the extraction of <u>valuable minerals</u> or other <u>geological</u> materials from the earth, usually from an <u>ore</u> body, <u>vein</u> or (<u>coal</u>) seam. Materials recovered by mining include <u>base metals</u>, <u>precious metals</u>, <u>iron</u>, <u>uranium</u>, <u>coal</u>, <u>diamonds</u>, <u>limestone</u>, <u>oil shale</u>, <u>rock salt</u> and <u>potash</u>. Any material that cannot be grown through <u>agricultural</u> processes, or created <u>artificially</u> in a <u>laboratory</u> or <u>factory</u>, is usually mined. Mining in a wider sense comprises extraction of any <u>non-renewable resource</u> (e.g., <u>petroleum</u>, <u>natural gas</u>, or even <u>water</u>).

To further support this Tariff precedent 5052200 directs sucker rods to be classified to 8413.91.10. There is also an earlier TA (16776700) for sucker rods which classified them to 8413.91.10.

The reason for me raising this query is that I have a TCO application for the goods subject of TA 19232800 and there is already an existing TCO for these goods which classified them to 8413.91.10 so I'd be looking at rejecting the current TCO application.

Could you please let me know your thoughts on the classification of these goods. The TCO is on Day 7 today so we have a bit of time up our sleeve so can you please get back to me early next week.

Thanks s22(1)

s22(1)(a)(ii)

Tariff Classification Review Trade Services Branch

Ph s22(1)(a)(ii)

Fax 6275 6471



# **Australian Government**

Australian Customs and Border Protection Service

# **MINUTE PAPER**

Central Office

File No: 2009/000116

I considered oil and gas well drilling to be mining and classified the goods to 8413.91.10. Another TCO application (0903235) was lodged a month later for similar goods. A TA also was provided and it considered oil and gas well drilling not to be mining. In re-examining this it is decided that the correct classification should be 8413.91.90 and this TCO should be revoked and reissued.

s22(1)(a)(ii) 17/2/2009 s22(1)(a)(ii) Markerst 05052200 Description of Goods including the Customs Tariff Classification

Schedule 4 Item Number

50

8413.91.90

PARTS, OIL AND GAS WELL PUMP, being sucker rods Op. 09.01.09

- TC 0900116

Stated Use:

To make up the mechanical assembly between the surface and the downhole components of a rod pumping system

Applicant:

GENERAL PETROLEUM

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Clase or 6413. 91.90

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CHECKET

Note: 09/03235 was willdrawn)

lam Legislation

eleased by DIBP under the \$\footnote{G}\$ reedom of Information Act 1982

Schedule 4 Item Last day of effect

8413.91.90	PARTS	OIL AND 9.01.09	GAS WELI	L PUMP, being sucker rods Dec. date 17.04.09	, - TC	0900116	50	
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								der
								In In
								BP
								9
								eased by DIBP under the
								a

Description of the Particular goods including the applicable subheading of the Customs Tariff

#### TARIFF CONCESSION ORDER

Under ( Lion 269P of the Customs Act 1901, I, S22(1)(a)(ii) a delegate of the Chief Executive Officer declare that the goods specified in Column 1 of THE TABLE are goods to which the item in Part III of Schedule 4 to the Customs Tariff Act 1995 specified in Column 2 of THE TABLE applies. This Order shall have effect from 09.01.09 and continue in force until revoked under sections 269SC or 269SD of the Act, or the date, if any, specified in Column 2.

THE TABLE

COLUMN 1
Description of Goods including the Customs Tariff Classification

COLUMN 2 Schedule 4 Item Number Last date of effect

8413.91.90

PARTS, OIL AND GAS WELL PUMP, being sucker rods

50

Op. 09.01.09

- TC 0900116

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s22(1)(a)(ii)

This is page 1 of 1 Page of the above Table.

Dated 17 April 2009

Delegate of the Chief Executive Officer

# **EXPLANATORY STATEMENT**

# **Tariff Concession Instrument No. 0900116**

#### Customs Act 1901

# Background

(

Part XVA of the *Customs Act 1901* (the Act) sets out a scheme under which Tariff Concession Orders (TCOs) may be made by the Chief Executive Officer of Customs (the CEO). A lower rate of customs duty applies to goods that are the subject of a TCO.

Under section 269F of the Act, a person may apply to the CEO for a TCO in respect of goods. If the CEO is satisfied that the application is not in respect of goods specified in section 269SJ of the Act, which sets out those goods that cannot be subject to a TCO, the CEO must decide whether the application meets the core criteria.

Section 269C of the Act provides that a TCO application meets the core criteria if, on the day on which the application was lodged, no substitutable goods were produced in Australia in the ordinary course of business. Section 269B of the Act provides that 'goods produced in Australia' has the meaning given by section 269D, 'ordinary course of business' has the meaning given by section 269E and 'substitutable goods' in respect of goods the subject of a TCO application, means goods produced in Australia that are put, or are capable of being put, to a use that corresponds with a use (including a design use) to which the goods the subject of the application can be put.

Subsection 269P(3) of the Act provides that if the CEO is satisfied that a TCO application meets the core criteria, the CEO must make a written order (a TCO) declaring that the goods the subject of the TCO application are goods to which a prescribed item of Schedule 4 to the *Customs Tariff Act 1995* (the Tariff) specified in the order applies.

General Petroleum Oil Tools applied for a TCO in respect of certain sucker rods on 09 January 2009.

### Instrument

TCO No 0900116 was made on 17 April 2009. It declares that those certain sucker rods are goods to which item 50 of Schedule 4 to the Tariff applies since the CEO was satisfied that no substitutable goods were produced in Australia. The general rate of duty on these goods is 5%. The rate of duty for the goods subject to the TCO is free.

# Consultation

Subsection 269K(1) of the Act provides in part that as soon as practicable after accepting a TCO application as a valid application, the CEO must publish a notice in the Gazette which includes an invitation to any person who considers that there are reasons why the TCO should not be made to lodge a submission with the CEO. The CEO did not receive any submissions in response to this invitation.

# Commencement

47.1

Subsection 269S(1) relevantly provides that a TCO is to be taken to have come into force on the day on which the application for the TCO was lodged. TCO No. 0900116 is taken to have come into force on 09 January 2009.

The TCO does not affect the rights of a person (other than the Commonwealth) as at the date of registration so as to disadvantage that person or impose liabilities on a person (other than the Commonwealth) in respect of anything done or omitted to be done before the date of registration. The rights of importers will be beneficially affected. Under paragraph 126(1)(r) of the Regulations, importers of such goods will be able to apply for a refund of duty on goods imported since the day on which the TCO is taken to have come into force. The TCO does not impose any liabilities on any person.

52

Part 1 - Tariff Concessions

Tariff Ref: 8413.91.10 Description of Goods Chapter: 84

SUCKER RODS, diameter 15.8 mm to 22.3 mm (5/8" to 7/8"), length

Op. to 31/12/9999

Dec. date 05/11/1998

- TC 9809842 50

OP 09.1.2009

8413.91.90 2009 000116 -

20854300 - 14/11/13 - SICKER ROAS.

Claryod 8413.91.10

TGO 09 000116 Heyed 841391.90

Request for revew - 3/2/14

Inst No:

Tariff Precedent Number: 5052200

Туре

Date last Changed: 8/10/2009

Description of Goods : Sucker rods being parts for pumps designed for mining or

metallurgical industries.

Heading : 8413.91.10

: Identified as a pumping rod. HSEN to 8413 para. re "Parts" refers.

: F Advice Status

Reason

Date: 2/04/1991

Changed Status Date: 8/10/2009 Code: G

Other (Details attached)

Note for file 2009/000116-01

I am satisfied that a suitable case exists to revoke TCO0900116, for *Parts, oil and gas field pump, being sucker rods*, and reissue it with a revised tariff classification.

I have viewed a submission from the National Trade and Advice Centre which advises its belief that the existing classification of 8413.91.90 is incorrect, and needs to be amended to 8413.91.10.

I have viewed tariff precedent 26/7/2011 that provided clarification on the term "mining" as it relates to the Harmonised Tariff, and which is consistent with the advice from NTAC. I note that another TCO 9809842, also for sucker rods, was and always has been classified to 8413.91.10.

Although sucker rods can be used in mining and non-mining pumps, the wording of TCO 0900116 describes the term PARTS, OIL AND GAS WELL PUMP. Thus the wording is consistent with the precedent's view of mining.

I am satisfied that the classification of the TCO therefore needs amendment because the classification is not consistent with the TCO wording.

As users of the TCO are entitled to believe the original classification has been correct, the risk that they could be penalised or otherwise disadvantaged should be avoided by not back-dating the operative date. Thus the particular day of revocation should be today, i.e. the day on which I as delegate of the CEO was satisfied that the classification was incorrect.

I have contacted the broker of the original applicant, General Petroleum, to advise. That company, Southern Cross Cargo Pty Ltd, has no objection.

s22(1)(a)(ii)

(08,2220)

Delegate of the Chief Executive Officer

15/4/14.

# **TAPIN**

# Tariff Advice Application Number 20854300

# **Tariff Advice Details:**

Previous Tariff Advice Number 0

Status FINALISED

Changed Status APPEALED BY APPLICANT

Type TARIFF CONCESSION ORDER ADVICE

State NSW

Confidential NO

Input Date 13 NOV 2013

Company and Contact Details:

Importer NATIONAL-OILWELL PTY. LTD.

Importer ABN / CAC 24010717398 CCID

Supplier TECHNOLOGY DEVELOPMENT AND EQUIPMENT SUPPLY LTD

Supplier ABN / CAC

Applicant FAL CONSULTING PTY LTD

BN / CAC 74154809355 CCID

Applicant ABN / CAC 74154809355

Applicant Contact Name S47F

Applicant Reference PONY RODS

**Broker Box No** 

# Goods Details:

Goods Description Pony rods, being a short type of sucker rod usually placed below the

polished rod and used to make a rod string of a desired length. Pony

CCID CCR3974343K

rods are manufactured to the same chemical properties, rod

diameters, dimensions, and tolerances as sucker rods

Claimed Tariff Classification 8413.91.10

Claimed Instrument 0900116

Claimed Schedule 4 Item 50

Claimed Reasons IR1. TOH. Goods are identified as a type of sucker rod as per

technical material attached. Sucker/pony rods make up the rod

string which is a part of an oil and gas well pump.

Headings considered: 8413. No other headings deemed appropriate

Sub heading: 84139110 vide IR6.

TCO is considered to apply.

# **Lodgement Details:**

Lodge Date 14 NOV 2013

# TAPIN

# **Tariff Advice Application Number 20854300**

Sample Provided NO

Illustrative Descriptive Material YES

> Additional Info Requested YES Additional Info Received YES

Requested on 21 JAN 2014

Received on 23 JAN 2014

Acquittal Details:

Acquit Date

28 JAN 2014

Given Tariff Classification 8413.91.10

**Given Instrument** 

Given Schedule 4 Item

Given Reasons DETAILED DESCRIPTION OF GOODS:

A range of Weatherford Pony rods (Type D, T66) being steel rods which are designed for use in oil and gas well pumping units. They are the short section of sucker rods and connect to make a rod string the correct length. IDM provided for Weatherford Artificial Lift Pony Rods measuring 2 feet to 10 foot lengths. Product literature states Pony rods are manufactured to the same chemical properties, rod diameters, dimensions, and tolerances as sucker rods.

# IDENTIFICATION OF GOODS:

Pony rods designed for spacing out a rod string being parts for oil and gas well pumps.

#### HEADINGS CONSIDERED:

8413 Pumps for liquids, whether or not fitted with a measuring device is the only heading considered.

# APPROPRIATE HEADING AND REASONS WHY:

8413 IR (1) TOH being parts of pumps for liquids, whether or not fitted with a measuring device. HSEN to 84.13 gives guidance, and includes rods as parts of pumps for example sucker rods.

## APPROPRIATE SUBHEADING AND REASONS WHY:

8413.91.10 TOSH IR (6) goods are parts of pumps specially designed for use in the mining industry. Section 16 Note 2 (a) applies. Precedent 2019400 provides clarification of the term mining in relation to this subheading.

TARIFF CONCESSION ORDER ELIGIBILITY OR OTHERWISE AND REASONS WHY:

TC 0900116 PARTS, OIL AND GAS WELL PUMP, being sucker rods is



# **TAPIN**

# **Tariff Advice Application Number 20854300**

not applicable as it is keyed to another heading

This decision only applies to goods as detailed in this application from the supplier nominated in this application and imported by the owner nominated in this application. This decision is valid in all Australian ports for five (5) years from the date of this decision.

**Decision Officer Name** 

s22(1)(a)(ii)

**Decision Officer Phone** 1800053016

Registry File Number

Multiple Classification NO

**Rejection Reason** 

Inst No:

eleased

Tariff Precedent Number: 20194000

Type

: 5

Date last Changed: 26/07/2011

Description of Goods : This precedent provides clarification of the term 'mining' in

relation to this subheading.

Heading

: 8413.91.10

Reason

: For the purpose of this subheading, mining is considered to be the extraction of minerals occurring naturally as solids such as coal and ores, liquids such as crude petroleum, or gases such as natural

'Mining industries' are those involved directly in such activities,

but do not include support services or exploration.

Exploration and other mining support services are not considered to

be mining industries, but related or auxillary industries.

Only pumps specifically designed for use in the mining industry, whether or not also used in like activities in mining support services or mineral exploration, will be considered to be "specially designed for use in the mining (...) industries".

In demonstrating that a pump is specifically designed for the mining industry, reference must be made to the phsyical features

and specifications of the pump.

General use pumps or pumps designed for use in another or multiple

industries are not classifiable, regardless of the intended or

actual end use of the pump.

Advice Status

: F Date : 26/07/2011

Changed Status

Date: Code:

# Targeted review of Tariff Concession Orders – Audit outcome

Objective: Determine whether TCOs are still valid and appropriate in the current market

TCO number, d	escription 0900116	PART	S, OIL AND
Risk category	4		

Report by the delegate of the Chief Executive Officer acting under powers Instrument 2/2010

Targeted review checklist	Legislative requirement and comments if applicable	Is action required to revoke the TCO?	
Is the TCO in breach of the Excluded Goods Schedule?	S269SJ(1)(b)  Tariff classification is  This is/isn't listed in EGS		
Is the TCO in breach of end-use provisions?	S269SD(5)/269SJ(1)(a) Yes / No		
Is the TCO in breach of requirements that it represents an accurate or full description of the goods	S269F(3)(a) Yes / No		the
Is the TCO classifiable to multiple Tariff headings?	S269F(3)(b) and S269SD(1AA)/(1AB) Yes / No		BP under
Are any product standards including in wording, and are these still current?	S269SD(1AA)/(1AB) Yes / No		III vd based
	Is the TCO in breach of the Excluded Goods Schedule?  Is the TCO in breach of end-use provisions?  Is the TCO in breach of requirements that it represents an accurate or full description of the goods  Is the TCO classifiable to multiple Tariff headings?  Are any product standards including in wording, and are	Is the TCO in breach of the Excluded Goods Schedule?  Is the TCO in breach of end-use provisions?  Is the TCO in breach of requirements that it represents an accurate or full description of the goods  Is the TCO classifiable to multiple Tariff headings?  Is the TCO classifiable to multiple Tariff headings?  Are any product standards including in wording, and are  S269SJ(1)(b)  Tariff classification is	Is the TCO in breach of the Excluded Goods Schedule?  Is the TCO in breach of end-use provisions?  Is the TCO in breach of end-use provisions?  Is the TCO in breach of requirements that it represents an accurate or full description of the goods  Is the TCO classifiable to multiple Tariff headings?  Are any product standards including in wording, and are  S269SD(1)(b)  Tariff classification is

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IBP under	Formation A
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Released	Freedom

6	Are we aware of any possible Australian manufacturers for these goods?	S269H; s269 1AA/1AB or 269SB Yes (No	Discussed with oilfield fifing Sy - Not on LM.
7	Has the TCO been made in other than generic terms?	S269SJ and 269SD(1AA)/(1AB) Yes / No	
8	Is the TCO correctly recorded on the Schedule of Concessional Instruments	S269SD(3) Yes / No	
9	Has it been used in the past two years?	S269SD(1A)  (Yes) No	
10	Has the TCO been made in contravention of international agreements	S269SK and 269SD(1AA)/(1AB)	
11	Has the tariff rate been reduced to free	S269SD(1) Yes / No	

Summary: I have assessed the file for this tariff concession order.

 I am satisfied that the TCO is still valid and appropriate, and that no further action is required

I am satisfied that the TCO may not be valid because it potentially contravenes item ...... On the audit list. As a result, I will seek to revoke the TCO because I believe it is not valid in the current market. To will be reissued with new of details.

This document, and supporting evidence for the decision, is to be placed on the file

#### TARIFF CONCESSION REVOCATION ORDER

Under Section 269SD(2) of the Customs Act 1901, I S22(1)(a)(ii) a delegate of the Chief Executive Officer (a) revoke Tariff Concession Order Number 0900116 made on 17.04.09, in respect of the goods described in TABLE A below. This Revocation has effect from 15.04.14; and

(b) make in its place the Tariff Concession Orders described in TABLE B. The goods specified in Column 1 of TABLE B are goods to which the item in Part III of Schedule 4 to the Customs Tariff Act 1995 specified in Column 2 of TABLE B applies. The Order shall have effect from the date notified in paragraph (a) above as the date of effect for the Revocation.

#### TABLE A

COLUMN 1
Description of Goods including the
Customs Tariff Classification

COLUMN 2 Schedule 4 Item Number Last date of effect

8413.91.90 PARTS, OIL AND GAS WELL PUMP, being sucker rods

50 15.04.14

Op. 09.01.09

- TC 0900116

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This is page 1 of 2 Pages of the instrument.

Dated 16 April 2014

Delegate of the Chief Executive Officer

s22(1)(a)(ii)

TABLE B

COLUMN 1
Description of Goods including the
Customs Tariff Classification

COLUMN 2 Schedule 4 Item Number Last date of effect

8413.91.10 PARTS, C

PARTS, OIL AND GAS WELL PUMP, being sucker rods

50

Op. 15.04.14

- TC 1412997

This is page 2 of 2 Pages of the instrument.

Dated 16 April 2014

s22(1)(a)(ii)

Delegate of the Chief Executive Officer

19 TCOs Revoked and Re-Issued - Classification Change and Customs Initiated - TCOs Revoked

Commonwealth of Australia Gazette No TC14/16, Wednesday, 30 Apr 2014

#### CUSTOMS ACT 1901 - NOTICE PURSUANT TO SECTION 269SE(2)

# TARIFF CONCESSION ORDER REVOKED AND NEW TARIFF CONCESSION ORDERS MADE IN ACCORDANCE WITH 269SD(2) OF THE CUSTOMS ACT.

The Tariff Concession Orders for the goods described in the following TABLE have been revoked and new Tariff Concession Orders made in respect of the goods described below.

The operative date (Op.), decision date (Dec. date) and TC reference number follow the description of goods.

#### THE TABLE

	-	escription of Goods including the ustoms Tariff Classification		Schedule 4 Item Number Last Date of Effect		
	TCO REVOKED					
_	8413.91.90	PARTS, OIL AND GAS WELL PUMP,	being sucker rods		50	
		Op. 09.01.09	Dec. date 17.04.09	- TC 0900116	50 14.04.14	
		ORDER REVOKED - CHANGE IN TAR KEYED TO 8413.91.10	IFF CLASSIFICATION - SEE TC1412997			
	TCO REISSUED					
	8413.91.10	PARTS, OIL AND GAS WELL PUMP, Op. 15.04.14	being sucker rods Dec. date 16.04.14	- TC 1412997	50 N/A	

#### CUSTOMS ACT 1901

# TARIFF CONCESSION ORDER REVOCATION AT THE INITIATIVE OF CUSTOMS

The Tariff Concession Order listed in THE TABLE below has been revoked.

# THE TABLE

	of Goods including the Ef Classification		Schedule 4 Last Date		82
7326.90.90	PARTS, INTERMEDIATE BULK CONTAINER, of the following:  (a) bottom plates; (b) feet; (c) centre bridges; (d) ID plates; (e) tubes, pressed and formed Op. 19.10.05  Order revoked following intention to advertised in the Tariff Concession 19/3/14.	ec. date 16.01.06 o revoke this TCO as	- TC 0514733	50 11.03	sedom of Information Act 198