

CRUDE OIL AND PETROLEUM (EXCERPT)

Act 16 of 1929

483.4 Common purchaser defined; purchase without discrimination.

Sec. 4. A person claiming or exercising the right to carry or transport crude oil or petroleum, or any of the products thereof, or carbon dioxide substances, by pipe line or pipe lines, for hire, compensation, or otherwise, in this state, as owner, lessee, licensee, or by virtue of any other right or claim, or engaging in the business of purchasing or storing crude oil or petroleum or carbon dioxide substances is a common purchaser thereof. The person shall purchase all the crude oil or petroleum or carbon dioxide substances in the vicinity of, or which may be reasonably reached by its pipe lines, or gathering branches, without discrimination in favor of any producer or other person as against another, and shall fully perform all the duties of a common purchaser. However, if the person is unable to perform the duties of a common purchaser or is legally excused from purchasing, transporting, or storing all of the crude oil or petroleum or carbon dioxide substances produced in the vicinity, then it shall purchase, transport, or store crude oil or petroleum or carbon dioxide substances from each producer or other person ratably, in proportion to the average daily production. A common purchaser shall not discriminate in price or amount for like grades of crude oil or petroleum or carbon dioxide substances or facilities as between producers or other persons. If a common purchaser is also a producer, it shall not discriminate in favor of its own production, or storage, or any production or storage in which it is interested directly or indirectly in whole or in part, and shall treat its own production and storage like that of any other producer or other person.

History: 1929, Act 16, Imd. Eff. Mar. 27, 1929;—CL 1929, 11655;—CL 1948, 483.4;—Am. 2014, Act 85, Imd. Eff. Apr. 1, 2014.