

connection with underground gas storage operations shall be included in account 356, Purification Equipment.

337 Other equipment.

This account shall include the cost installed of equipment used in the production and gathering of natural gas, when not assignable to any of the foregoing accounts.

ITEMS

1. Calorimeter.
2. Control installation.
3. Crane.
4. Laboratory equipment.
5. Odorizing unit.
6. Office furniture and equipment.
7. Oil fogger.

338 Unsuccessful exploration and development costs.

A. This account shall include unsuccessful exploration and development costs incurred on or related to hydrocarbon leases, on properties in the contiguous 48 States and the State of Alaska, acquired after October 7, 1969. It shall also include costs of a preliminary nature incurred in the search for natural gas in such areas after October 7, 1969.

B. The costs recorded in this account shall be amortized by debiting account 404.1, Amortization and Depletion of Producing Natural Gas Land and Land Rights, and crediting this account using the unit-of-production or other acceptable method of amortization as hydrocarbons are extracted from producing wells.

C. In general, the unamortized costs recorded in this account shall not exceed the net realizable value (estimated selling price less estimated costs of extraction, completion and disposal) of proven hydrocarbon reserves on leases acquired after October 7, 1969. (See "Special Instructions—Costs Related to Leases Acquired After October 7, 1969," above.)

340 Land and land rights.

This account shall include the cost of land and land rights used in connection with the processing of natural gas for removal of gasoline, butane, propane, or other salable products. (See gas plant instruction 7.)

341 Structures and improvements.

This account shall include the cost of structures and improvements used in connection with the processing of natural gas for removal of gasoline, butane, propane, or other salable products. (See gas plant instruction 8.)

342 Extraction and refining equipment.

This account shall include the cost installed of equipment used for the extraction from natural gas of gasoline, butane, propane, or other salable products and for the refining of such products.

ITEMS

1. Boiler plant equipment, including boiler, boiler setting, heat exchangers, etc.
2. Compressed air system, including air compressor, air storage tank, etc.
3. Cooling equipment such as coolers, cooling tower and accessories for gas, extracted products, etc.
4. Cranes, trolleys, and hoists.
5. Electrical system, including generator and driving unit, power lines, transformers, switchboard, yard lighting system, etc.
6. Extraction and refining equipment, such as absorbers, reabsorbers, stills, dephlegmators, fractionating towers, stabilizing columns, control apparatus.
7. Foundations and structural supports for equipment items not intended to outlast the equipment for which provided.
8. Fuel regulating and measuring equipment.
9. Gasoline blending equipment including dye pot, educator pumps, lead storage tanks, weighing device, etc.
10. Gauges and instruments.
11. Loading racks and associated other equipment.
12. Lubricating oil system.
13. Pumps of various types, such as boiler feed water pumps, loading and transfer pumps, drip still pumps, oil pumps, skimmer basin pumps, etc.
14. Tanks of various types such as accumulator and dewatering tanks, separator tanks, gasoline feed tanks, compressed air tanks, oil surge tanks, etc., except tanks classifiable as storage equipment, account 344.
15. Water supply system including water well, water tank and supports, water softener or purification apparatus, traveling water screen and drive.
16. Yard piping, gas, water, steam, compressed air, fuel, vapor, extracted products, including headers, valves, etc., but not including off-site lines includible in account 343, Pipe Lines.