**Memorandum**

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| **Identifying Information:** | **Oil Workover Rigs** |

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| **Tax Type:** | **Vehicles** |
| **Brief Description:** | **Oil Workover Rigs** |
| **Keywords:** |  |
| **Effective Date:** | **02/19/1997** |

**Body:**

**Division of Vehicles**
**MEMORANDUM**

**TO:** County Treasurers

**FROM:** Marge Bailey
Chief of Titles and Registration Bureau

**DATE:** February 19, 1997

**SUBJECT:** Oil Workover Rigs

This office has received numerous inquires regarding exemption of registration on oil drilling workover rigs.

According to our Legal Staff, in order to be exempt from registration, vehicles must be specially designed and constructed for a single purpose, that is to insert and extract tubing, rods and downhole equipment. An exempt rig must be operated directly from the base of the derrick rather than from the base of a truck. The rig must be designed to carry only one person, the operator, and no passengers, (must be single cab). The rig can only be driven from one job site to another or to or from places of storage, delivery or repair.

Truck-mounted well drilling rigs are not exempt from registration. Enclosed are examples of both the exempt and non-exempt rigs.

To qualify for exempt status, a Non-Highway title must be applied for using the code “E” (Vehicle Exempt from Registration Requirements) on the VIPS system. A photograph of the rig along with a completed Non-Highway affidavit must be attached to the Non-Highway title application which will be submitted to the state. If the vehicle was previously registered, and now has a Non-Highway title, the license plate must be removed before the vehicle is operated on public roads or highways.

Vehicles registered for 1997 that qualify for exemption may apply for a refund of the registration fees. Application for a Non-Highway title must be made when applying for the refund. A photograph of the rig along with a completed Non-Highway affidavit must be attached to the Non-Highway title application which will be submitted to the state.

Registration exemption for workover rigs does not include exemption from personal property taxes. If you should have any further questions or concerns, feel free to contact this office for assistance.

**Date Composed: 02/24/1998 Date Modified: 10/09/2001**