OIL INSPECTION, DEPARTMENT OF: Whether crude oil used for fuel purposes should be inspected.

April 6, 1938.

Mr. Presley J. L. Martin,
Chief Oil Inspector,
Indianapolis, Indiana.

Dear Sir:

I have before me your request for an official opinion upon the subject of your right, under chapter 289 of the Acts of 1937, to inspect crude petroleum sold for fuel oil. You state that in certain cases crude petroleum is being sold to school corporations to use in their heating plants, which oil is shown by test to carry 25 per cent gasoline.

I do not find that the term "crude petroleum" is used in the above Act. The Act, however, expressly makes it unlawful for any person "to sell, offer for sale or use any petroleum product within the state of Indiana unless and until the same has been inspected and approved for sale or use by the department." (Acts of 1937, page 1328.)

In defining "petroleum products," it is provided that the term as used in the Act is to be taken as meaning and including "gasoline, naphtha, kerosene, distillate, fuel oil and like products of petroleum under whatever name called, including benzol and other similar products used, or which may be used, in the blending of motor fuel, but the same shall not include lubricating oil." (Acts of 1937, page 1327.)

Fuel oil is thus expressly included in the type of product which is required to be inspected before being sold or offered for sale within the state of Indiana, and it seems to me that crude oil sold for that use would come within the terms of the statute.