

**Opinion No. 39-3236**

August 11, 1939

**BY:** FILIO M. SEDILLO, Attorney General

**TO:** Mr. S. L. Kirk, Chairman, Contractors' Licensing Board, Santa Fe, New Mexico.

{\*92} This office is in receipt of your letter of August 11 requesting an opinion as to whether or not pipe line contractors should be required to take out a contractor's license under Chapter 197 of the Laws of 1939.

May I call your attention to Section 2, Chapter 197, Laws of 1939:

"SUBJECTS ACT DOES NOT APPLY TO. This act shall not apply to:

\* \* \*

(d) Public utilities operating under the regulations of the state, or persons engaged in the construction, repair or operation incidental to the discovering or producing of petroleum or gas, or the drilling, testing, abandoning or other operation of any petroleum or gas well."

Apparently your letter raises the question as to whether or not a pipe line contractor should come within the exemption of the above quoted paragraph (d).

It is my opinion that if the parties referred to in Mr. Stamm's letter of August 8 referred to oil companies or persons in the oil business who construct derricks, pipe lines or other operations incidental to the discovery of or the production of oil and gas, then Mr. Stamm's interpretation of the law is correct. However, as it seems to appear from your letter, if Mr. Hanrahan is a pipe line contractor and that is his principal line of work with no financial interest or ownership in an oil company attempting to discover or in the actual production of oil and gas, then in my opinion Mr. Hanrahan would be a contractor as defined under Chapter 197, Section 3, Laws of 1939, and should be required to take out a contractor's license.

By: GEORGE LOUGEE,

Asst. Atty. Gen.