Schlumberger Technology Corporation, Reslink Product Center (STC Reslink) submitted a notification of proposed production activity to the FTZ Board for its facilities in Baytown and Houston, Texas. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on August 13, 2020.

The facilities are located within Subzone 84AA. The facilities are used for the production of sand screens and related accessories for use in the oil and gas industry. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt STC Reslink from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, STC Reslink would be able to choose the duty rates during customs entry procedures that apply to sand screens (with or without filters), swell packers, joint adapters (bottom or top), and jumper tubes (duty rate ranges from duty-free to 5.0%). STC Reslink would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad include: plastic machine
surface protectors; rubber O-rings; ceramic nozzle inserts; stainless steel components (wire; shunt tube; joint adapter (bottom or top); plug bolt; set screw; spring latch; snap-on clip; components for filtration system (shroud; shim; mesh filter tube; filter jacket; rings (end; weld; shunt; stop; slotted inner; retainer); bracket; manifold; spacer; housings (outer; nozzle); fin plate; fin plate base; end cap; stiffener plate); Y-manifold body; shunt tube extension; hanging sleeve; premium port control valve; shuttle valve); carbon steel components (hollow profile blankpipe; threaded coupling; spiral centralizer); alloy steel hollow profile blankpipes; cast fitting components (shunt tube connector; shunt tube transition); alloy threaded couplings; casted stainless steel components (shunt ring; bracket; rectangle stop ring; manifold; latch retainer; latch receptacle); nickel alloy components (wire; end ring; slotted inner ring); and, zinc spiral centralizers (duty rate ranges from duty-free to 6.2%). The request indicates that certain materials/components may be subject to duties under Section 232 of the Trade Expansion Act of 1962 (Section 232) or Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 232 and Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board’s Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is [INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board’s website, which is accessible via www.trade.gov/ftz.

For further information, contact Juanita Chen at juanita.chen@trade.gov or 202-482-1378.

Andrew McGilvray,
Executive Secretary.
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