

## WARNING LETTER

### CERTIFIED MAIL – RETURN RECEIPT REQUESTED

July 6, 2000

Mr. Mark Peterson  
Manager, Pipelines and Terminals  
Sinclair Pipeline Company  
550 East South Temple  
Salt Lake City, UT 84102

**CPF 5-2000-5016W**

Dear Mr. Peterson:

On June 12 - 15, 2000, a representative of the Western Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of records and procedures at your office in Sinclair, Wyoming, and of the Guernsey and Trunkline Systems crude oil transmission pipeline facilities operated and maintained by your company in the State of Wyoming.

As a result of the inspection, it appears that Sinclair Pipeline Company (Sinclair) has committed a probable violation, as noted below, of pipeline safety regulation, Title 49, Code of Federal Regulation (CFR), Part 192. The items inspected and the probable violation is:

1. **§195.416 (i) Each operator shall clean, coat with material suitable for the prevention of atmospheric corrosion, and, maintain this protection for, each component in its pipeline system that is exposed to the atmosphere.**

Inadequate corrosion protection was noted at Guernsey System BN Junction at the taps for the thermal relief valves installed on April 5, 1999, and at the soil/atmosphere interface of some flanges and the old DRA injection point at the Bear Creek Station. Sinclair has plans to modify the configuration of the station piping at Bear Creek Station, and to take remedial action in areas which lack coating there. None of the facilities examined at the time of this inspection were seriously corroded; the integrity of the pipeline system was not threatened.



In addition to the probable violation noted above, the following items of concern were noted during the inspection:

2. Underground corrosion control documentation for the Guernsey System available at the time of the inspection was inadequate to determine compliance with the corrosion control requirements of the regulations for that System. Sinclair has an agreement with another pipeline operator concerning cathodic protection, monitoring, and rectifier inspections. Sinclair is reminded that under §195.10, an operator may make arrangements with another person for the performance of any action required by this part. However, the operator is not thereby relieved from the responsibility for compliance with any requirement of this part. Subsequent to this inspection, Sinclair was provided with further supporting documentation from the other pipeline operator. Difficulty in obtaining required records could interfere with proper management oversight of the corrosion control program for the Guernsey System..
3. At the Trunkline System Iron Creek Pump Station, which is no longer in use, abandoned facilities were not sealed. Under §195.401(c)(10), a pipeline operator is required to have and follow written procedures for the abandonment of pipeline facilities, including safe disconnection from the operating pipeline system, purging of combustibles, and sealing when left in place.

In regard to Item 1 as provided under 49 United States Code, §60122, you are subject to a civil penalty not to exceed \$25,000 for each violation for each day the violation persists up to a maximum of \$500,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this item, and have decided not to assess you a civil penalty. We advise you, however, that should you not correct the circumstances leading to this violation, we will take enforcement action when and if the continued violation comes to our attention. You will not hear from us again with regard to this noted item and our subsequent action. Because of the good faith that you have exhibited up to this time, we expect that you will act to bring your pipeline operations into compliance with pipeline safety regulations.

In consideration of Items 2 and 3, we hope that you will consider and address these areas of concern to further improve your present level of safety. If we can answer any questions or be of any help, please call me at 303-231-5701.

Sincerely,

Chris Hoidal P.E.  
Director

