

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 2, 1997

Manager HS&E
Cal Resources
5060 California Ave.
Bakersfield, CA 93389

CPF No. 57005-W

Dear Sir or Madam:

On April 16-18, 1997, a representative of the Western Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of your pipeline facilities and records at Huntington Beach, CA.

As a result of the inspection, it appears that you have committed probable violations as noted below of pipeline safety regulations Title 49, Code of Federal Regulations, Part 192.

The items inspected and the probable violations are:

1. **§192.465(a) requires that each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463.**

At the time of the inspection, Cal Resources could not produce a 1996 testing record for the 6"-8" gas sales line.

2. **§192.465(b) requires that each cathodic protection rectifier or other impressed current power source must be inspected six times each calendar year, but with intervals not exceeding 2 1/2 months, to insure that it is operating.**

At the time of the inspection, Cal Resources could not produce any records for the inspection of the rectifiers located onshore that are protecting the

pipeline between platform Emmy and shore.

page 2

3. **§192.743(a) requires that if feasible, pressure relief devices (except rupture discs) must be tested in place, at intervals not exceeding 15 months, but at least once each calendar year, to determine that they have enough capacity to limit the pressure on the facilities to which they are connected to the desired maximum pressure.**

At the time of the inspection, Cal Resources could not produce a 1995 testing record for pressure relief valve V-607 that is protecting the 6"-8" gas sales line.

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 violations persist up to a maximum of \$500,000 for any related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to assess you a civil penalty. We advise you, however, that should you not correct the circumstances leading to the violations, we will take enforcement action when and if the continued violations come to our attention.

You will not hear from us again with regard to the noted inspection 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 (and/or your operations) into compliance with pipeline safety regulations.

Sincerely,

Edward J. Ondak
Director