WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 24, 1997

Williston Basin Interstate Pipeline Co. Tony Finneman Director of Operations 200 North 3rd Street Suite 300 Bismark, ND 58501

CPF No. 57106W

Dear Mr. Finneman:

On September 22-24, 1997, representatives of the Western Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of Williston Basin Interstate Pipeline Company (WBI) facilities and records at Glendive, Montana.

As a result of the Baker District inspection in Montana, 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 External Corrosion Control: Monitoring.
- (a) 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, the external corrosion control records indicated missing pipe-to-soil readings at several test stations for the 1996 and 1997 annual surveys. Due to the fact WBI has Dresser-coupled pipeline segments installed in this pipeline system, each test station reading is considered valuable for determining the adequacy of the cathodic protection system.

- 2. §192.707 Line Markers for Mains and Transmission Lines.
 - (c) Pipelines above ground. Line markers must be placed and maintained along each section of a main and transmission line that is located above ground in an area accessible to the public.

During the field inspection, a number of line markers were not visible where the transmission line came above the ground.

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