



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety Administration**

JAN 30 2007

400 Seventh Street, S.W.
Washington, D.C. 20590

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

Mr. Larry Hartness
Senior Vice President, Operations
Lion Oil Trading & Transportation, Inc.
1001 School Street
El Dorado, AR 71730

Re: CPF No. 4-2006-5035

Dear Mr. Hartness:

As per your request, in accordance with 49 C.F.R § 190.233, an informal hearing will be held regarding the Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order issued to Lion Oil on September 7, 2006. The hearing will be held at 8:30 a.m. on Thursday, March 1, 2007 at the Office of Pipeline Safety, Southwest Region, 8701 South Gessner Street, Suite 1110, Houston, TX.

In response to the Notice, Lion Oil submitted a Statement of the Issues that it intends to raise at the hearing. This hearing is an opportunity to explain your position. You may offer any facts, statements, explanations, testimony or any other items which are relevant to the issue under consideration. Please fax a list of anticipated hearing attendees to (202) 366-7041 by February 21.

In the interest of security, hearing attendees may be required to present photo identification to the security personnel. Please inform the security personnel that you are there to see Mr. Rod Seeley, Director, Southwest Region, Office of Pipeline Safety. The security personnel may phone OPS to request that a staff member come to escort you to the office.

I will serve as Presiding Official at the hearing. If you have any questions, please call me at (202) 366-4400.

Sincerely,

Renita K. Bivins
Senior Attorney

cc: John Warren, Vice President Operations, Lion Oil Trading & Transportation, Inc.
Kyle Michael, Management Controls Supervisor, Lion Oil Trading & Transportation, Inc.
R. M. Seeley, Director, Southwest Region, OPS