

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 21, 1998

Mr. Steven R. Springer
Vice President of Operations
Williams Field Services
2800 Post Oak Blvd.
Houston, Texas 77251

Dear Mr. Springer:

CPF No. 48105C

On August and September 1997, a representative of the Southwest Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code conducted pipeline safety inspections of Williams Field Services' onshore facilities and records in the Corpus Christi and Tilden, Texas areas.

As a result of the inspections and in keeping with pipeline safety regulations, Title 49, Code of Federal Regulations, Part 192, we have noted some areas of concern.

The concerns are in reference to the timeliness and effectiveness of remedial action taken to address low pipe-to-soil readings at several locations. The specific areas were at the La Gloria lateral 12-inch line mile post 4.272, the White Kitchen lateral 16-inch line mile post 23.079, the West Big Foot lateral 16-inch line mile post 8.710 and the Tilden-Rodriquez lateral 20-inch line mile post 21.774. All these areas had pipe-to-soil readings that did not meet the negative 850mV criterion for the years of 1996 and 1997.

When queried about this, Williams Field Services' field personnel revealed data indicating that some form of remedial action had been taken after initial discovery of the low potentials. However, Williams' field personnel did not test the effectiveness of the remedial actions which resulted in low potentials on their next annual survey.

OPS representatives, in a meeting with Williams Field Services' compliance personnel in Houston, brought up concerns of whether the remedial actions taken were based on sound engineering practices and the timeliness of those actions. Furthermore, when planning remedial actions in

order to ensure compliance with the regulations, OPS representatives urged Williams Field Services to take into account delaying factors, such as, rights-of-way access issues, contractor issues and severe weather conditions, that may impede on the timeliness of the actions taken to remedy problems on their pipeline.

After two meetings with OPS representatives, Williams Field Services' compliance personnel assured us that the above mentioned concerns would be addressed.

We acknowledge your response to the areas of concern that were brought to your attention during our inspections and meetings and hope that Williams Field Services' personnel will continue to improve on the safe operation and maintenance of the pipeline system. Please refer to CPF No. 48105C in any correspondence/communication on this matter.

Sincerely,

R. M. Seeley
Regional Director, Southwest Region