

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 19, 1998

Mr. George M. Rootes, President
Shell Pipeline Corporation
Two Shell Plaza
777 Walker
Houston, Texas 77252

Dear Mr. Rootes:

CPF No. 48511W

On December 8-11 and 16, 1997, representatives of the Oklahoma Corporation Commission (OCC) made an inspection of your breakout tank facilities in Cushing, Oklahoma. They acted as representatives of the Southwest Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code.

As a result of the inspection, it appears that you have committed a probable violation of the pipeline safety regulation, Title 49, Code of Federal Regulations, Part 195. The probable violation is:

§195.436 Each operator shall provide protection for each pumping station breakout tank area and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

Shell Pipe Line Corporation's Cushing facilities are not adequately protected from vandalism and unauthorized entry. At Shell's north tank facility, hog wire fencing is on three sides of this facility. Also, at Shell's south and east tank facilities, the hog wire fencing is around the entire facility.

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 documentation 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 violation, we will take enforcement action when and if the continued violation comes to our attention.

Please refer to CPF No. 48511W in any correspondence/communication on this matter.

Sincerely,

R. M. Seeley
Regional Director, Southwest Region

cc: Oklahoma Corporation Commission