

**WARNING LETTER**

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

August 18, 1999

Bob Herring  
Vice President of Gulf of Mexico Business Unit  
Chevron USA Production Company  
935 Gravier Street  
New Orleans, LA 70112

CPF No.27201-W

Dear Mr. Herring:

On October 7, 1997, Derick Turner, a representative of the Southern Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of records and procedures for your offshore facilities, block 908 platform to subsea tie-in with Chandeleur Pipeline, at platform 864 located offshore of Pascagoula, Mississippi.

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

The item inspected and the probable violation is:

**§192.465(a) requires that each pipeline under cathodic protection 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.**

In reviewing the corrosion control records, it was found that the monitoring period for the dates of 6/28/95 to 11/18/96 exceeded the 15-month requirement by one month and 21 days.

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 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.

Please refer to CPF 27201-W in any correspondence or communication on this matter.

Sincerely,

Frederick A. Joyner  
Director, Southern Region  
Office of Pipeline Safety

cc: Compliance Registry, OPS Headquarters