

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 12 , 1999

Mr. Chester Morris, Jr., Vice President
Mobile Pipe Line Company
P.O. Box 900
Dallas, Texas 75221

CPF No. 49507W

Dear Mr. Morris:

Between June 21 and June 24, 1998, an engineer of the Southwest Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of Mobile's facilities, 20-inch crude and 12-inch NGL, from Groveton to Beaumont, Texas.

During the inspection OPS found a probable violation that causes concern about the safe operation and maintenance of the pipelines. The probable violation is:

§195.416 (a) Each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, conduct tests on each buried, in contact with the ground, or submerged pipeline facility in its pipeline system that is under cathodic protection to determine whether the protection is adequate.

Records were reviewed in your Hebert Station, Beaumont Area office and we noted in some locations that you have not conducted the cathodic protection potential test on the 20-inch Crude and the 12-inch NGL system for over 15 months. The locations are:

20-inch Crude System		
Mile Post	1997 Survey	1998 Survey
148.8	No reading	-1.802v
111.0	-1.190v	No reading
136.983	No reading	No reading
118.0	-1.346v	No reading
138.060	No reading	-2.260v
139.0	-1.886v	No reading

12-inch NGL System		
Mile Post	1997 Survey	1998 Survey
111.0	-1.390v	No reading
111.687	-1.378v	No reading
118.000	-1.518v	No reading
127.490	No reading	-1.621v
128.661	No reading	-1.635v
138.983	No reading	-1.925v
138.060	No reading	-2.310v
139.000	-1.921	No reading
142.500	No reading	-2.130v
156.000	No reading	No reading

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. 49507W in any correspondence/communication on this matter.

Sincerely,

R. M. Seeley, Director
Southwest Region