



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

JUN 21 2006

Mr. Richard Smiley
Engineer
Bois d'Arc Energy
600 Travis
Suite 6275
Houston, Texas 77002

Re: CPF No. 4-2006-5004

Dear Mr. Smiley:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and assesses a civil penalty of \$20,000. I acknowledge receipt of and accept your wire transfer for \$20,000 as payment in full of the civil penalty assessed in the Final Order. The Final Order also acknowledges your completion of the proposed compliance order items to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: R. M. Seeley
Director, Southwest Region, PHP-400

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

**DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of

Bois d'Arc Energy,

Respondent

CPF No. 4-2006-5004

FINAL ORDER

On November 3, 2005, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety conducted an on-site pipeline safety inspection of Respondent's facilities and records in Houston, Texas. As a result of the inspection, the Director, Southwest Region, PHMSA, issued to Respondent, by letter dated February 7, 2006, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had committed violations of 49 C.F.R. Part 195 and proposed assessing a civil penalty of \$20,000 for the alleged violations. The Notice also proposed ordering Respondent to take certain measures to correct the alleged violations.

Respondent responded to the Notice on February 28, 2006 by transferring funds in the amount of \$20,000 as payment of the proposed civil penalty.

FINDINGS OF VIOLATION

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.452(b)(1) (Notice Item 1) -- failing to establish a written integrity management program for the Bayou City Pipeline for the period of February 18, 2003 through October 7, 2005;

49 C.F.R. § 195.452 (Notice Item 2) -- failing to identify all pipeline segments for the Bayou City Pipeline that could affect HCAs by November 18, 2002; and

49 C.F.R. §§ 195.452(d)(1) (Notice Item 3) – failing to complete 50 percent of the baseline assessment of line pipe by August 16, 2005.

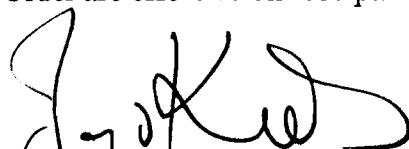
These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent. Having reviewed the record and considered the applicable penalty assessment criteria, I assess Respondent a civil penalty of \$20,000, already paid by Respondent.

COMPLIANCE ORDER

The Notice proposed a Compliance Order with respect to Item 3 of the Notice. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director, Central Region, PHMSA has indicated that Respondent has taken the following actions specified in the Proposed Compliance Order:

In regard to Notice Item 3, Respondent completed at least 50 percent of the baseline assessment of the line pipe and sent documentation verifying the assessment to the Director, Southwest Region.

Accordingly, since compliance has been achieved with respect to this violation, the compliance terms are not included in this Order. The terms and conditions of this Final Order are effective on receipt.



Stacey Gerard
Associate Administrator
for Pipeline Safety

JUN 21 2006

Date Issued