



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 10, 2008

Mr. Erec Isaacson
President
Conoco Phillips Alaska, Inc.
P.O. Box 100360
Anchorage, AK 99510

CPF 5-2008-5029M

Dear Mr. Isaacson:

On July 14-17, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Oliktok Pipeline Company's procedures for Operation and Maintenance in the Kuparuk field office located in Prudhoe Bay, Alaska.

On the basis of the inspection, PHMSA identified the apparent inadequacies found within Oliktok Pipeline Company's procedures, as described below:

1. **§195.402 Procedural manual for operations, maintenance, and emergencies.**
 - (c) **Maintenance and normal operations.**
 - (10) **Abandoning pipeline facilities, including safe disconnection from an operating pipeline system, purging of combustibles, and sealing abandoned facilities left in place to minimize safety and environmental hazards. For each abandoned offshore pipeline facility or each abandoned onshore pipeline facility that crosses over, under or through commercially navigable waterways the last operator of that facility must file a report upon abandonment of that facility in accordance with §195.59 of this part.**

The operator's Standard Operating Procedures (SOP) OPLM-0000-SD-0062, Page 1, does not require purging of permanently abandoned pipe lines.

2. **§195.402 Procedural manual for operations, maintenance, and emergencies.**

(d) Abnormal operation. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when operating design limits have been exceeded;

(1) Responding to, investigating, and correcting the cause of;

(i) Unintended closure of valves or shutdowns;

(ii) Increase or decrease in pressure or flow rate outside normal operating limits;

(iii) Loss of communications;

(iv) Operation of any safety device;

(v) Any other malfunction of a component, deviation from normal operation, or personnel error which could cause a hazard to persons or property.

The operator's SOP did not include detailed procedures for starting the pipe line up after purging. The procedures did not address the filling, packing, and return to normal operations of a previously-purged line. This abnormal operation of repacking the line is a foreseeable operation.

3. **§195.422 Pipeline Repairs.**

(a) Each operator shall, in repairing its pipeline systems, insure that the repairs are made in a safe manner and are made so as to prevent damage to persons or property.

The operator's SOP OPLM-0000-SD-0043, page 16, references API 1107 for conducting "in-service" repairs. API 1107 is now incorporated in API 1104, Appendix B. The SOP should reflect the most current repair standards.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within [number of days] days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 5-2008-5029M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 B. Flanders (#120668)

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*