

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 15, 1998

Mr. Martin Morell
Oil and Gas Operations Manager
Unocal Corporation
909 West 9th Avenue
Anchorage, Alaska 99519

CPF NO.58513C

Dear Mr. Morell:

On June 2 and 3, 1998, a representative of the Office of Pipeline Safety (OPS) performed an inspection of your pipeline facilities associated with Unocal's Granite Point Field platforms. The facilities inspected were the pipelines between the onshore Granite Point Tank Farm (GPTF) and the Granite Point platform, GPTF and the Bruce platform, and the Anna and Bruce platforms. Operation and maintenance procedures and records for these pipeline were reviewed at your Kenai office.

The facilities and records reviewed during this inspection did not reveal any violations of Federal pipeline safety regulations, Title 49, Code of Federal Regulation, Part 195. Our field inspection did, however, disclose some test data on your Bruce platform to GPTF pipeline that is cause for concern. We also hope you find this information and our concern worthy of your attention.

1. **§195.418(a) mandates that no operator may transport any hazardous liquid or carbon dioxide that would corrode the pipe or other components of its pipeline system, unless it has investigated the corrosive effect of the hazardous liquid or carbon dioxide on the system and has taken adequate steps to mitigate corrosion.**

Unocal utilizes chemical analysis and coupons to monitor the properties of fluids they transport. Since Unocal wants the option of converting the gas pipelines to liquid service, they must monitor both lines in accordance with §195.418. Historically, these investigations and tests reveal that the

pipelines are not carrying corrosive gases or liquids. Our office is concerned, however, that the most recent coupon test on the gas line between the Bruce platform and shore indicates a metal loss rate of 2.13 mil/year (see attached). Due to the rapid metal loss rate, we recommend that Unocal analyze the coupon now in place prior to the scheduled six-month cycle to determine if a persistent internal corrosion problem truly exists. If the gas stream is corrosive, Unocal must comply with §195.418 to strictly monitor and mitigate the effects of internal corrosion. We also suggest that any changes to your production process, that may have caused either temporary or chronic corrosive conditions, be investigated and, if necessary, altered to minimize further internal corrosion of your pipeline facilities.

We hope that you will consider and address this area of concern to further improve your present level of safety. If we can answer any question, or be of any help, please call me at 303-231-5701.

Sincerely,

Edward J. Ondak
Director

Attachments

GPP Weight Loss Coupon Data
Anna Weight Loss Coupon Data
Bruce Weight Loss Coupon Data

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