LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 8, 2000

Mr. W. H. Sparger Vice President of Engineering Colorado Interstate Gas Company P.O. Box 1087 Colorado Springs, CO 80944

CPF 4-2000-1-003-C

Dear Mr. Sparger:

On July 26 through September 8, 1999, a representative of the Southwest Region, Office of Pipeline Safety, inspected your interstate pipeline facilities from your Campo Junction, Colorado to Amarillo, Texas and from your Campo Junction to Mocane, Oklahoma, including your Flank and Boehm storage facilities.

It was noted during the inspection that Colorado Interstate Gas Company's (CIG) procedure Number 12, Section: Corrosion, Subject: Internal Corrosion Control-Monitoring, had the typical procedures that indicated Scope, Responsibilities, Specifics and Record keeping requirements. However this procedure lacked specific details giving technicians guidance, for instance:

- when should technicians consider the possibility of internal corrosion;
- what type of equipment should be used to evaluate the problem and where should it be placed;
- should the monitoring be more frequent;
- how long should the monitoring be performed;
- what type of analyses should be done;
- who is responsible for evaluating lab results;
- at what amount mil loss rate should a technician decide that a corrosive environment exists and consider additional testing/monitoring;
- what remedial actions should be taken if internal corrosion

is found;

and who decides to implement all of the above.

CIG personnel have submitted a revised procedure to our office and was found acceptable.

In addition it was noted that in the town of Fritch, Texas, CIG's transmission line F-401 terminates at your Panhandle Field compressor station and supplied fuel to operate compressor #6 and post lube pumps. The line terminates in a Class 3 area that requires odorization per code; CIG was not odorizing this line. When the line was converted to a fuel line, the issue of odorization was overlooked. Subsequent to the OPS inspection, CIG evaluated the scenario and opted to get fuel gas from another supplier and eliminate the use of their fuel line. CIG could not use odorant within their fuel gas because if the compressors were ever purged, the odorized gas would be released into the atmosphere probably resulting in a large number of leak complaints from the local residents. The new supplier of fuel gas is not required to odorize because their facility is adjacent to CIG's and the delivery line stays on private property owned by either the supplier or CIG.

The odorization issue was discussed with field personnel and a representative from your regulatory compliance department during the inspection and we hope you consider this area of concern constructive to pipeline safety and your operations. The odorization item was resolved by CIG in early December 1999. Please note when a line's function changes, the issue of odorization should always be considered. Your staff's response to this safety issue was quick and appropriate.

Please refer to CPF No.4-2000-1-003-C in any correspondence or communication on this matter. If we can answer any questions or be of any help, please contact me at (713)718-3746. Thank you for the courtesies extended by your staff during these scheduled inspections.

Sincerely,

R. M. Seeley Director - Southwest Region