LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 20, 1998

Mr. Rodney Sands Vice President, Operations Explorer Pipeline Company P.O. Box 2650 Tulsa, Oklahoma 74101

Dear Mr. Sands: CPF No. 48512C

Between April 27 and May 1, 1998, a representative of the Southwest Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of your facilities between Lake Charles, Louisiana, and the south fence of the Palestine pump station near Palestine, Texas. During the inspections several items were noted that cause concern about the safe operation and maintenance of the pipelines.

While at the Lake Charles pump station, the engineer discovered a lockout notification tag lying on the floor of the switchgear building, either because of the lack of proper training on the procedures for attaching a lockout tag to the equipment or due to carelessness by one of the technicians. Technicians were performing maintenance on a pump at the time and their safety was dependent on this tag.

The bevel gear-hand wheels on newly installed block valves at mileposts 122.3 and 159.0 were extremely difficult to operate; the efforts of three people were required to force movement of the slab gates.

It was also noted that the areas surrounding the valve enclosures at mileposts 109.7 and 138.7 were heavily overgrown with brush, making approach to the valves difficult, if not hazardous.

Because of the good faith that you have exhibited up to this time, we expect that you will act to ensure that field technicians will be instructed on the importance of the proper use of lockout tags, the proper maintenance and inspection of main line block valves and their bevel gear operators and the safety hazards of uncleared brush at main line block valve sites and elsewhere along the pipeline right-of-way. Please refer to CPF No. 48512C in any

correspondence/communication on this matter.

Sincerely,

R.M. Seeley Regional Director, Southwest Region