



07-01-10A10:13 RCVD

Marathon Pipe Line LLC

539 South Main Street
Findlay, OH 45840
Telephone: (419) 421-4000

June 30, 2010

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Mr. Chris Hoidal, Director, Western Region
12300 W. Dakota Ave., Suite 110
Lakewood, CO 80226

Re: Notice of Probable Violation and Proposed Compliance Order CPF 5-2010-5013

Dear Mr. Hoidal:

Please find attached Marathon Pipe Line's (MPL) response to item number two of the Notice of Probable Violation (NOPV) and Proposed Compliance Order CPF 5-2010-5013 issued to MPL, dated April 26, 2010 and received May 3, 2010. The NOPV was issued following the Pipeline and Hazardous Materials Safety Administration's (PHMSA) inspection of MPL's Red Butte Pipeline System in central and northwestern Wyoming in July 2009.

While MPL has policies and procedures in place to achieve our objectives of protection of the public, employees and the environment, we constantly strive for continuous improvement. MPL appreciates the professionalism shown by your staff during this inspection, through which MPL and PHMSA (Western Region) have developed a good working relationship. We hope to further this relationship with ongoing open dialogue to pursue our shared goal of safety.

We request that if CPF 5-2010-5013 is made available on the PHMSA website, this reply be posted as well.

Please feel free to contact me if you would like to discuss the matter further.

Sincerely,

John S. Swearingen
President
Marathon Pipe Line LLC
jsswearingen@marathonoil.com

cc: John D. Bradley Robert W. Everett
Vicki L. May Nate H. Muehl
Craig O. Pierson Randy M. Thomson

Regulation:

§195.410 Line markers.

(a) Except as provided in paragraph (b) of this section, each operator shall place and maintain line markers over each buried pipeline in accordance with the following:

(1) Markers must be located at each public road crossing, at each railroad crossing, and in sufficient number along the remainder of each buried line so that its location is accurately known.

Finding:

In a housing development located a few miles west of Casper Station, it appears that many road crossings were not adequately marked to identify the location of the pipeline, i.e. it is difficult to determine the location of the pipeline as it passes through the yards of many of the houses in the housing development.

MPL's Response:

MPL does not dispute PHMSA's finding that road crossings in a housing development (Vista West) a few miles west of Casper Station may not have been adequately marked to identify the location of the pipeline.

Discussion:

Immediately following the inspection MPL insured the pipeline location was adequately marked by replacing missing line markers in the Vista West subdivision.

Furthermore, in 2007, MPL began an initiative to perform a walking survey on all Red Butte assets to insure Right-of-Ways (ROWs) are in compliance with PHMSA Regulations and MPL Standards. One element of the initiative was insuring adequate line marker placement/ installation. The area of concern determined to be deficient during the 2009 PHMSA inspection was addressed in 2007.

Prior attempts have been made by MPL Area personnel to maintain/ install missing or damaged line markers in this area. Additionally, several attempts have been made to address this issue with one particular property owner. One conversation was conducted on July 30, 2009 in which an MPL ROW Specialist spoke to the property owner regarding absent line markers during the 2009 PHMSA inspection. The conversation focused on safety and MPL's need to comply with PHMSA Regulations. Judging from his comments, the landowner did not appreciate the safety conversation or the need to comply with PHMSA Regulations. On May 12, 2010, MPL Area personnel verified line markers were removed again from the area of concern. Line markers identified as missing on May 12, 2010 were immediately replaced that same day. One month prior, the line markers in the area were in compliance with PHMSA Regulations and MPL standards. On May 13, 2010, MPL's ROW Specialist contacted the landowner to reinforce the need for line markers. The landowner did not change his stance due to feelings the pipeline limits his ability to enjoy the property; therefore, MPL Area personnel are monitoring the site on a routine basis to insure the pipeline remains adequately marked in the Vista West subdivision.

Safety Improvement Costs Associated With Finding:

MPL will not incur any safety improvement costs associated with this finding. MPL contends its procedures are adequate and effective in complying with requirements of §195.410, and that line marker maintenance is an expense currently considered in our operating cost.