



June 23, 2009

Mr. Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

Re: CPF 5-2009-5001

Via Overnight Mail

Dear Mr. Hoidal:

Your office conducted an inspection of our Sidney, Montana pipeline system in July, 2008. As a result of this inspection you issued a Notice of Probable Violation and Proposed Compliance Order for three items which required remedial action. On February 9, 2009, SemStream, L.P. sent you a letter outlining actions SemStream had either taken or planned to take to remedy the alleged violations. The purpose of this letter is to provide follow-up information as indicated in our February 9, 2009 letter. The remaining two open items and SemStream's remedy are as follows:

195.230 Welds: Repair or removal of defects.

- (a) Each weld that is unacceptable under 195.228 must be removed or repaired. Except for welds on an offshore pipeline being installed from a pipe lay vessel, a weld must be removed if it has a crack that is more than 8 percent of the weld length.**

SemStream failed to repair weld numbers 999 and 960 during construction of their Sidney HVL Pipeline System when these welds were found to be unacceptable.

SemStream construction records for their HVL Pipeline System reveal that two (2) butt welds (numbers 999 and 960) were rejected because of low caps. SemStream had no record of the repair of these two welds.

RESPONSE:

As per the plan outlined in our response dated February 9, 2009, SemStream has excavated welds 999 and 960, inspected them and documented the condition of the welds. Based on the inspection made by TK Inspection Services, neither weld required additional repair. Photographs of the welds as well as the inspection report from TK Inspection Services is attached.



Y. Thompson
407-771-8414
Kon Kain
701-774-8878
Industrial
Radiography
Office: 701-672-1689
P.O. Box 1591 • Williston, ND 58802-1591

Terms and Abbreviations

- | | | | | | |
|-----|--|-----|---------------------------|-----|---------------------------------|
| IP | Inadequate Penetration | IC | Internal Concavity | CRK | Crack |
| IPD | Inadequate Penetration Due to Hi Lo | ESI | Elongated Slag Inclusions | ACD | Accumulation of Discontinuities |
| IFR | Incomplete Fusion at the Root | ISI | Isolated Slag Inclusions | UCR | Undercut - Root |
| IFC | Incomplete Fusion at the Cap-Exposed Bevel | BT | Burn-Through | UCC | Undercut - Cap |
| IFD | Incomplete Fusion Due to Cold Lap | GP | Individual Gas Pocket | CCK | Crater Cracks |
| | | SP | Spherical Porosity | VIR | Visual Inspection Required |
| | | CP | Cluster Porosity - Cap | PH | Pinhole |
| | | WHP | Worm Hole Porosity | | |
| | | HB | Hollow Bead | | |

109-001
CODE

CUSTOMER NAME Conductron ADDRESS 35251 6th NW LB STATION PIPELINE

X-Ray Number	WELD		WELD ACCEPTABLE		EXPOSURES		No. of Exp.	Pipe Size (Dia.)	Wall to Wall Thickness	X Ray	GAM Ray	Location and Type of Defects in Rejectable Welds
	By	Location	Yes	No	In	Out						
1	Visual	Visual	X									
2												
3												
4												
5												
6												
7												
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37												

DATE 7-27-09 CUSTOMER'S JOB NO. 100 PER DIEM YES () NO () NO JOB LOCATION Butcher to 4th Rd REPORT NO. 100 UNIT NO. 100 NO. MEN ON JOB 2 NO. WELDS RADIOGRAPHED 1

ELIF 100 MILES 100 HOURS WORKED 4 TO AM AND PM TO PM **TOTAL HOURS** 4

SIGNATURE OF CUSTOMER'S REPRESENTATIVE CERTIFIES TIME AND MATERIAL IS CORRECT _____ SIGNATURE OF RADIOGRAPHER Y. Thompson ASSISTANT _____

I am (as indicated by my signature above) a tested and certified level II or III radiographer in accordance with the SNT-TC-1A and have accomplished the radiography recorded above in accordance with the specified code designated above.

XR-960







7 Thompson
01-774-8414

Ken Kahn
701-774-8878

Office: 701-872-1589
P.O. Box 1591 • Williston, ND 58802-1591

Terms and Abbreviations

- | | | |
|--|-------------------------------|-------------------------------------|
| IP Inadequate Penetration | IC Internal Concavity | CRK Crack |
| IPD Inadequate Penetration Due to HI Lo | ESI Elongated Slag Inclusions | ACD Accumulation of Discontinuities |
| IFR Incomplete Fusion at the Root | ISI Isolated Slag Inclusions | UCR Undercut - Root |
| IFC Incomplete Fusion at the Cap-Exposed Bevel | BT Burn-Through | UCC Undercut - Cap |
| IFD Incomplete Fusion Due to Cold Lap | GP Individual Gas Pocket | CCK Crater Cracks |
| | SP Spherical Porosity | VIR Visual Inspection Required |
| | CP Cluster Porosity - Cap | PH Pinholes |
| | WHP Worm Hole Porosity | |
| | HB Hollow Bead | |

APD
CODE

CUSTOMER NAME _____ ADDRESS _____ STATION PIPELINE

X-Ray Number	WELD		WELD ACCEPTABLE		EXPOSURES		No. of Exp.	Pipe Size (Dia.)	Wall to Wall Thickness	X Ray	GAM Ray	Location and Type of Defects in Rejectable Welds
	By	Location	Yes	No	In	Out						
1												
2												
3												
4												
5												
6												
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DATE	CUSTOMER'S JOB NO.	PER DIEM (Y/N)	JOB LOCATION	REPORT NO.	UNIT NO.	NO. MEN ON JOB	NO. WELDS RADIOGRAPHED
7-27-09							
IF APPLICABLE HOURS		MILES	HOURS WORKED	TO	AM AND	TO	PM
							TOTAL HOURS
							9 MA

SIGNATURE OF CUSTOMERS REPRESENTATIVE CERTIFIES TIME AND MATERIAL IS CORRECT _____ SIGNATURE OF RADIOGRAPHER _____ ASSISTANT _____

I am (as indicated by my signature above) a tested and certified level II or III radiographer in accordance with the SNT-TC-1A and have accomplished the radiography recorded above in accordance with the specified code designated above.



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Appendix B – Influencing Rectifier Interrupt Table
 – Trailing Wire Reconnect (IR) Table

Appendix C – Pipe-to-Soil Potential Data Charts

Initial Status and General Information

Total Corrosion Solutions, Inc. was contracted to perform a close interval On/Off cathodic protection survey on the 4-inch Bakken Lines, as part of SemStream, LP ongoing pipeline integrity program.

Total Corrosion Solutions technicians Derrick Raprager was survey operator and was on site for the duration of the project. Soil Conditions were good for the duration of the surveys. The close interval survey was run in April 22, 2009.

SemStream inspectors were on site for the surveys to oversee testing and provide information and assistance to the survey crew.

Appendix A of this report contains the -850 mV and -1300 mV Criterion exception tables. Appendix B details the influencing rectifiers that were interrupted during the survey. Appendix C contains potential profile graphs of all data collected during the close interval survey including On and Instant-off data.

Survey Procedures

Close Interval Survey

Total Corrosion personnel installed Radiodetection GPS synchronized current-interrupters at all SemStream and foreign cathodic protection rectifiers influencing the test area.

The interrupted close interval CP survey was performed to obtain continuous "on" and "instant off" pipe-to-soil potentials every 2.5-feet. An Allegro field computer was used to measure and record pipeline potentials. On and Off potentials were obtained in two channels of data resulting in individual data lines for each set of data. Williams provided station numbers for test stations that was used for the survey stationing.

GPS Coordinates were obtained using a Trimble DGPS unit and were taken at all aboveground features and every 100 feet. Heavy tree cover in areas resulted in failure to record GPS Coordinates at all designated footages and aboveground features.

Copper/copper sulfate reference electrodes used during the survey were re-charged at the beginning of each survey day.

Discussion of Data

Potential Survey

The pipe-to-soil potentials obtained during the survey indicate the following:

- All the "current on" potentials meet the -850mV criterion.
- All the "instant off" potentials meet the -850mV criterion
- All the "instant off" potentials meet the -1300mV criteria..

A summary of exceptions to criteria follows:

4-inch Bakken Line

Criteria	% Not Meeting Criterion	Pipeline Not Meeting Criterion
-850mV Current On	0%	0-feet
-850mV Instant Off	0%	0-feet
-1300mV Instant Off	0%	0-feet

Recommendations

Based upon the results of the survey data, there are no recommendations at this time.

It has been a pleasure being of service in your cathodic protection program. Please contact us if you have any questions concerning this report, or if we can be of further service.

Sincerely,
Total Corrosion Solutions, Inc.

Derrick Raprager
NACE CP Technician #7960

Appendix A
Criterion Exception Tables

Table I A

**SemStream, LP Pipeline
4-inch Bakken Line
Bakken Plant NW to Sidney Terminal
Exception table below -0.850 on criteria**

Criteria

Reads \leq -0.850

Sections which meet the criteria:

Start	End	Distance
-------	-----	----------

0+00	446+14	44614
------	--------	-------

Distance meeting the criteria 44614.0 feet

Sections which fail the criteria:

Start	End	Distance
-------	-----	----------

Distance failing the criteria 0.0 feet

Summary Report

Total survey distance: 44614.0 feet

Total length meeting criteria: 44614.0 feet

Percentage meeting criteria: 100.00%

Total length failing criteria: 0.0 feet

Percentage failing criteria: 0.00%

Table IB

**SemStream, LP Pipeline
4-inch Bakken Line
Bakken Plant NW to Sidney Terminal
Exception table below -0.850 off criteria**

Criteria

Reads \leq -0.850

Sections which meet the criteria:

Start	End	Distance
-------	-----	----------

0+00	446+14	44614
------	--------	-------

Distance meeting the criteria 44614.0 feet

Sections which fail the criteria:

Start	End	Distance
-------	-----	----------

Distance failing the criteria 0.0 feet

Summary Report

Total survey distance: 44614.0 feet

Total length meeting criteria: 44614.0 feet

Percentage meeting criteria: 100.00%

Total length failing criteria: 0.0 feet

Percentage failing criteria: 0.00%

Table IC

**SemStream, LP Pipeline
4-inch Bakken Line
Bakken Plant NW to Sidney Terminal
Exception table above -1.300 off criteria**

Criteria

Reads ≥ -1.300

Sections which meet the criteria:

Start	End	Distance
-------	-----	----------

0+00	446+14	44614
------	--------	-------

Distance meeting the criteria 44614.0 feet

Sections which fail the criteria:

Start	End	Distance
-------	-----	----------

Distance failing the criteria 0.0 feet

Summary Report

Total survey distance: 44614.0 feet

Total length meeting criteria: 44614.0 feet

Percentage meeting criteria: 100.00%

Total length failing criteria: 0.0 feet

Percentage failing criteria: 0.00%

Appendix B

Influencing Rectifier Interrupt Table Trailing Wire Reconnect(IR) Table



Operator	Rectifier Number / Location	Volts	Amps	Taps
Semstream	MP 6	2.02	0.13	C-1,F-2
Hyland Enterprises	Bakken Plant	2.94	0.20	Reostat

**Table II
Semstream Pipeline
Trailing Wire Reconnection (IR) Data**

4" BAKKEN LINE

Pipe Diameter (In) 4

Pipe Wall Thickness(In) 0.188

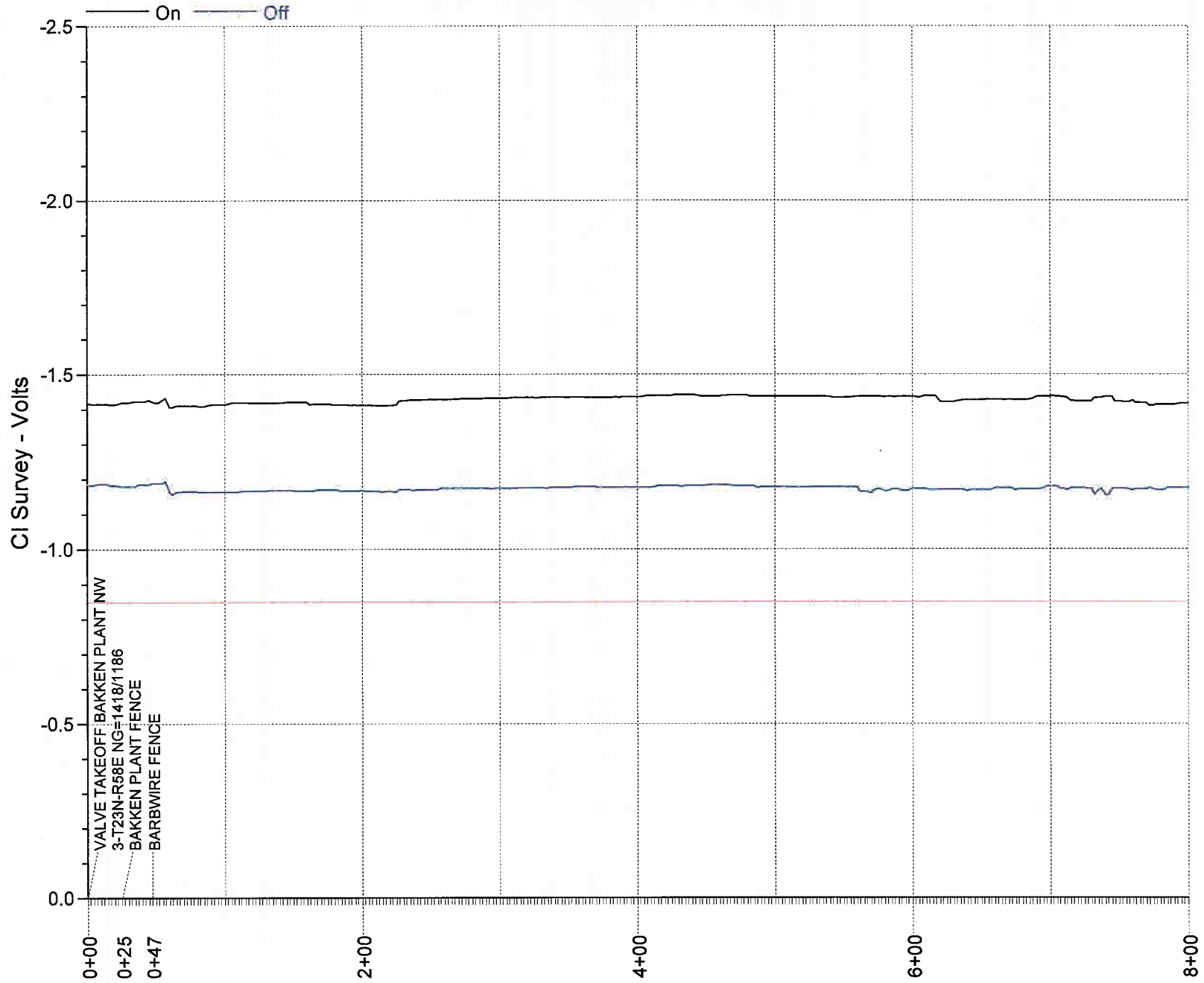
Pipe Weight (lb/ft) 25.16

Polarity Meter negative to test station - Meter positive to trailing wire

Reconnect Location	Location	Far Ground (mV)		Measured IR (mV)		Near Ground (mV)		Calculated IR (mV) from NG/FG PS		Current Flow In Pipe Section (Amps)		Comments
		On	Off	On	Off	On	Off	On	Off	On	Off	
ITS NW 3-T23N-R58E	0					-1418	-1188					BAKKEN PLANT
ITS NW 7-T23N-R58E	5437	-1279	-1059	-2.00	3.00	-1277	-1062	-2	3	-0.03	0.05	CR-346
ITS NW 8-T23N-R58E	12423	-1390	-1184			-1404	-1182					
ITS	16987	-1381	-1164	1.00	1.00	-1381	-1164	0	0	0.02	0.02	
ITS	22045	-1418	-1197	4.00	1.00	-1422	-1198	4	1	0.07	0.02	
ITS	26382	-1381	-1151	-9.00	-5.00	-1372	-1146	-9	-5	-0.18	-0.10	
ITS	34661	-1408	-1183	-28.00	-1.00	-1382	-1182	-26	-1			
ITS SW 10-T23N-R59E	39371	-1357	-1156	1.00	4.00	-1358	-1160	1	4	0.02	0.07	HIGHWAY 200
VALVE SE 11-T23N-R59E	44616	-1356	-1161	-10.00	0.00	-1345	-1161	-11	0	-0.17	0.00	SEMSTREAM TERMINAL

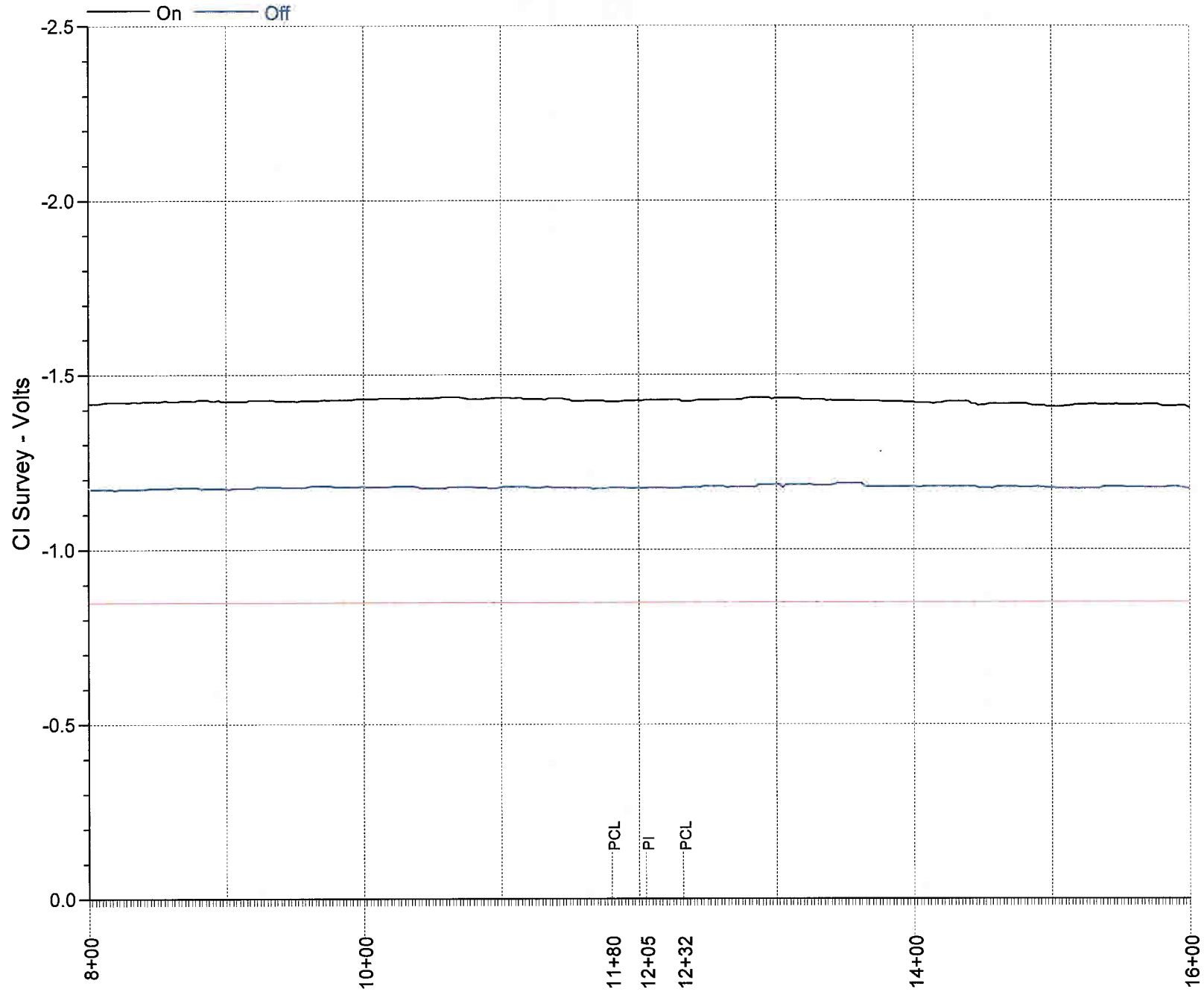
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



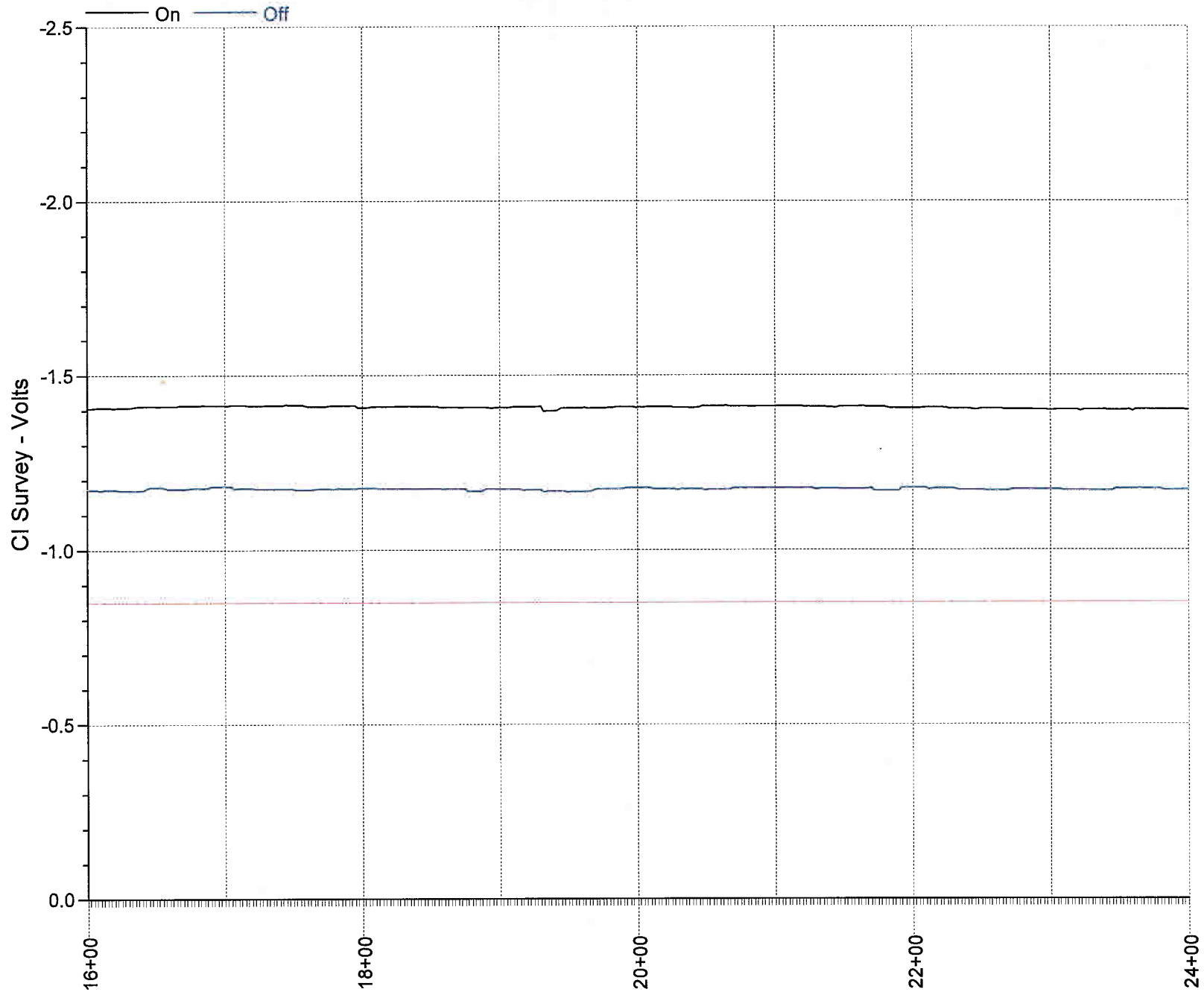
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



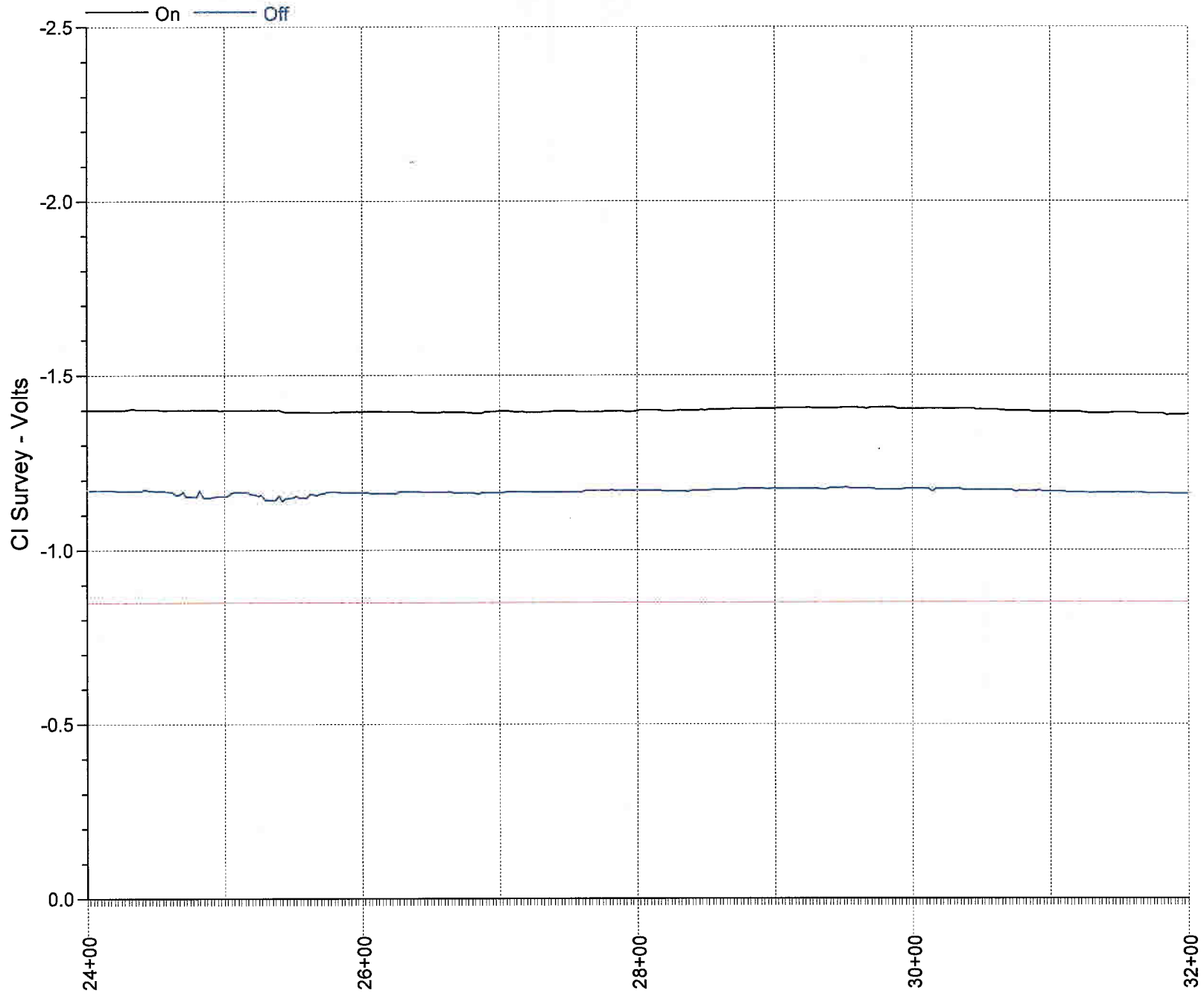
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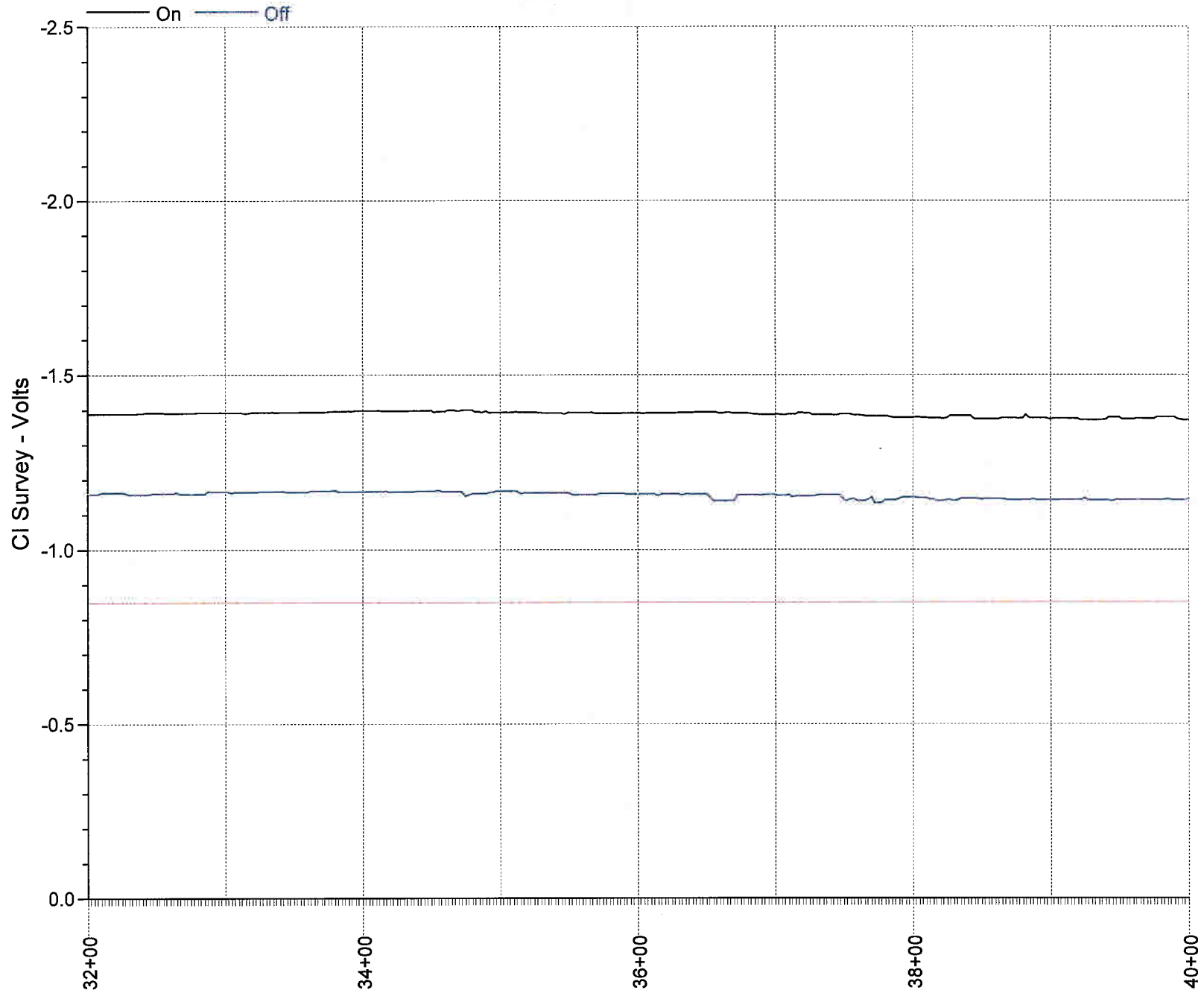
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



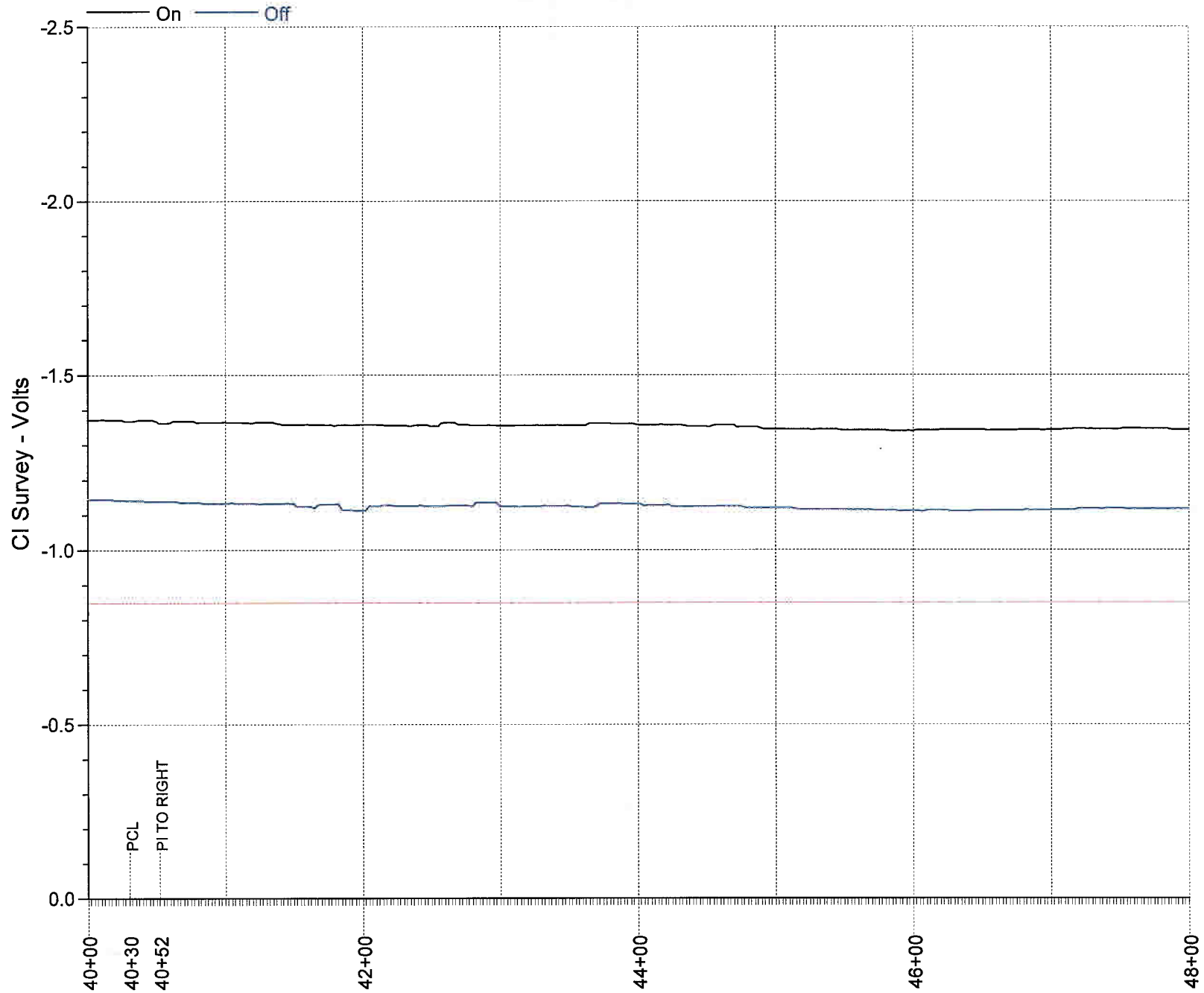
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



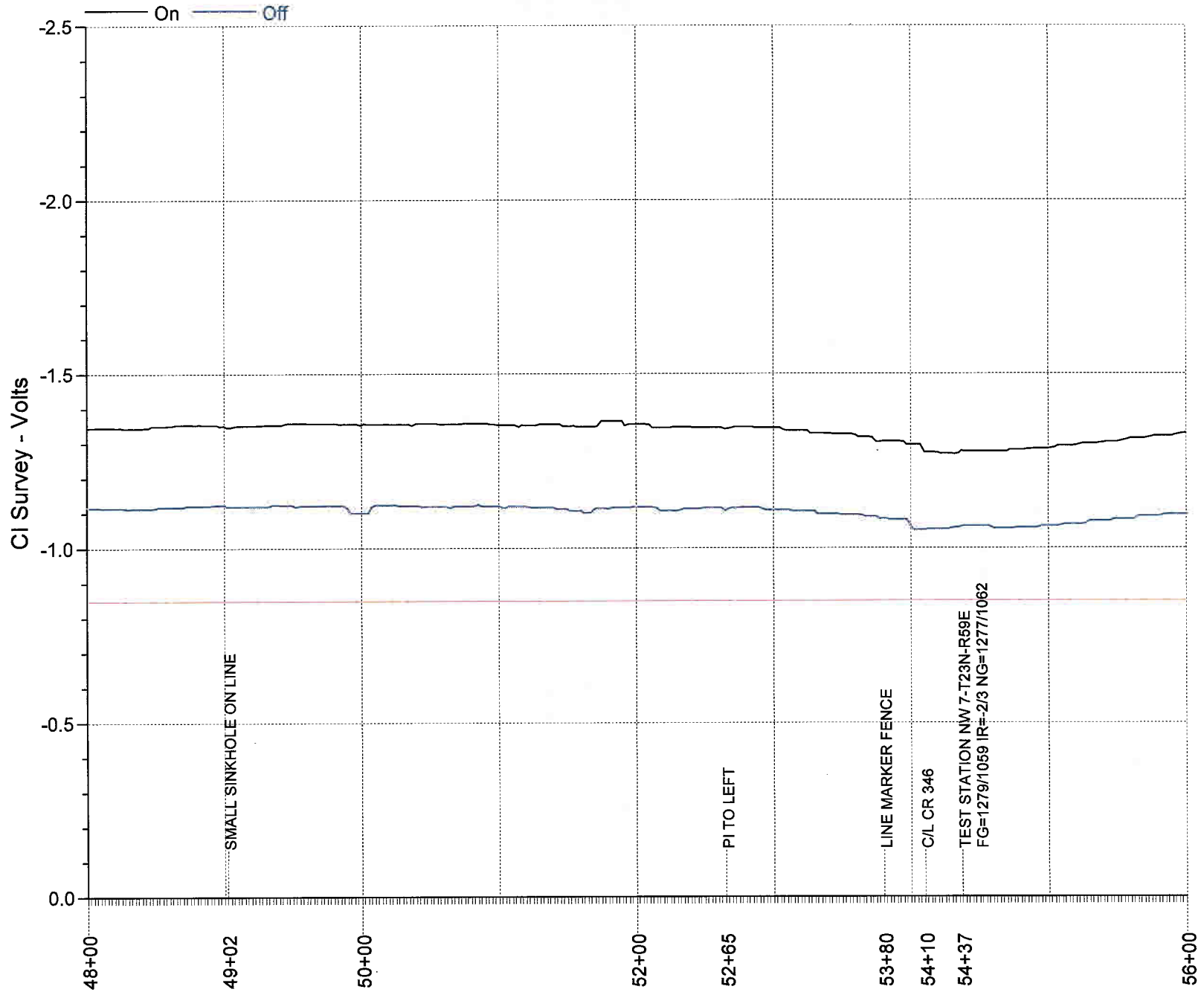
SemStream, LP

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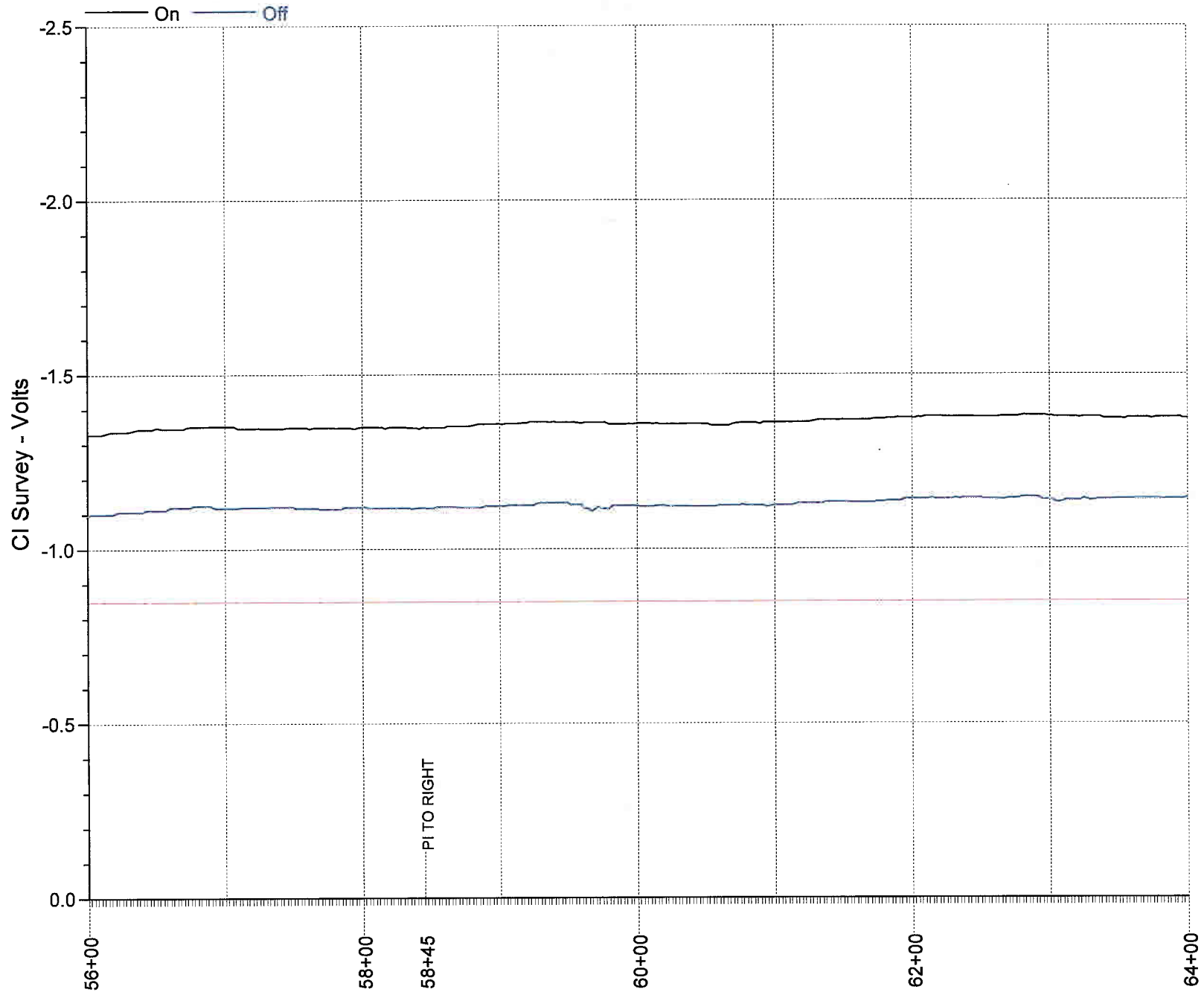
SemStream, LP

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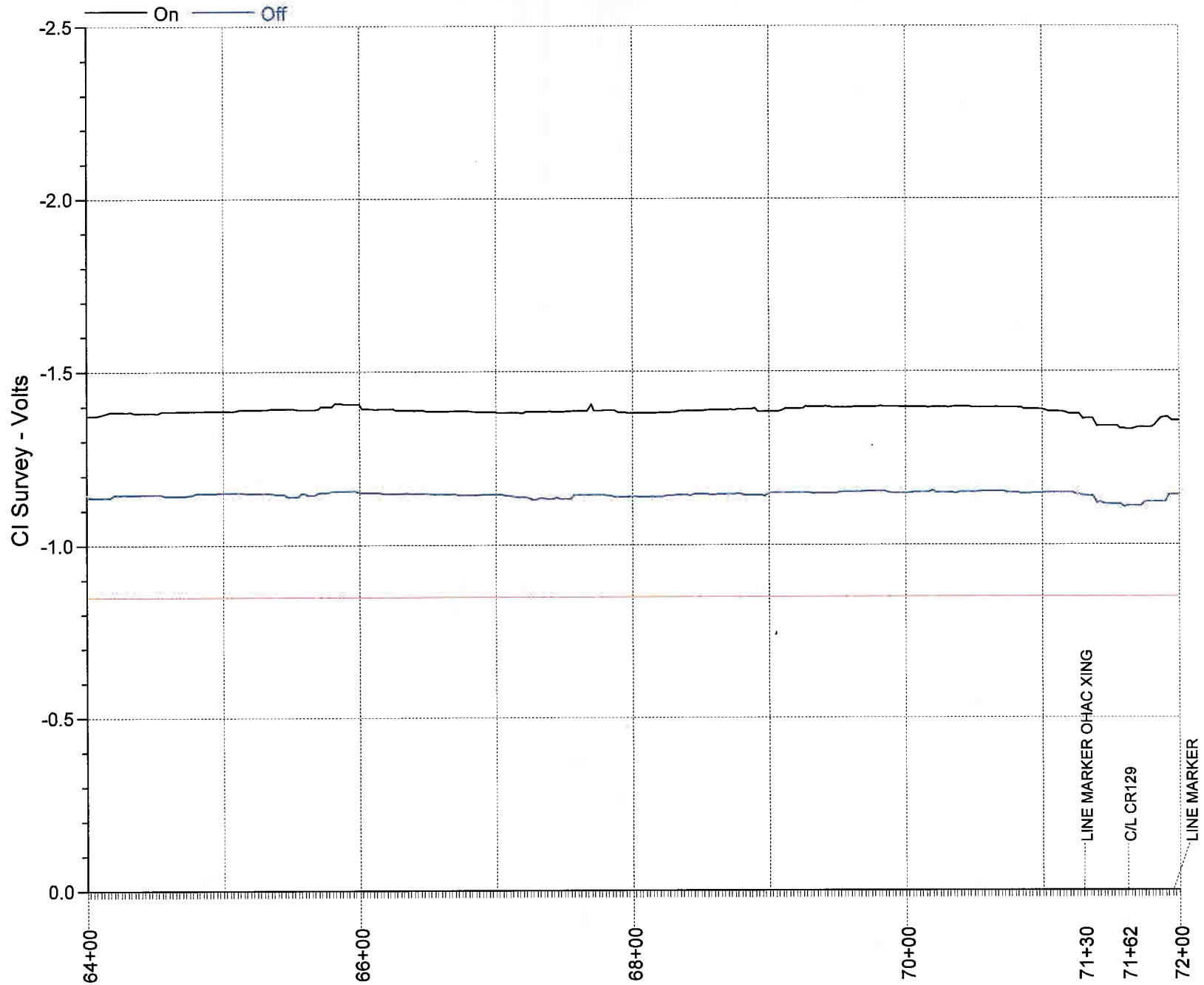
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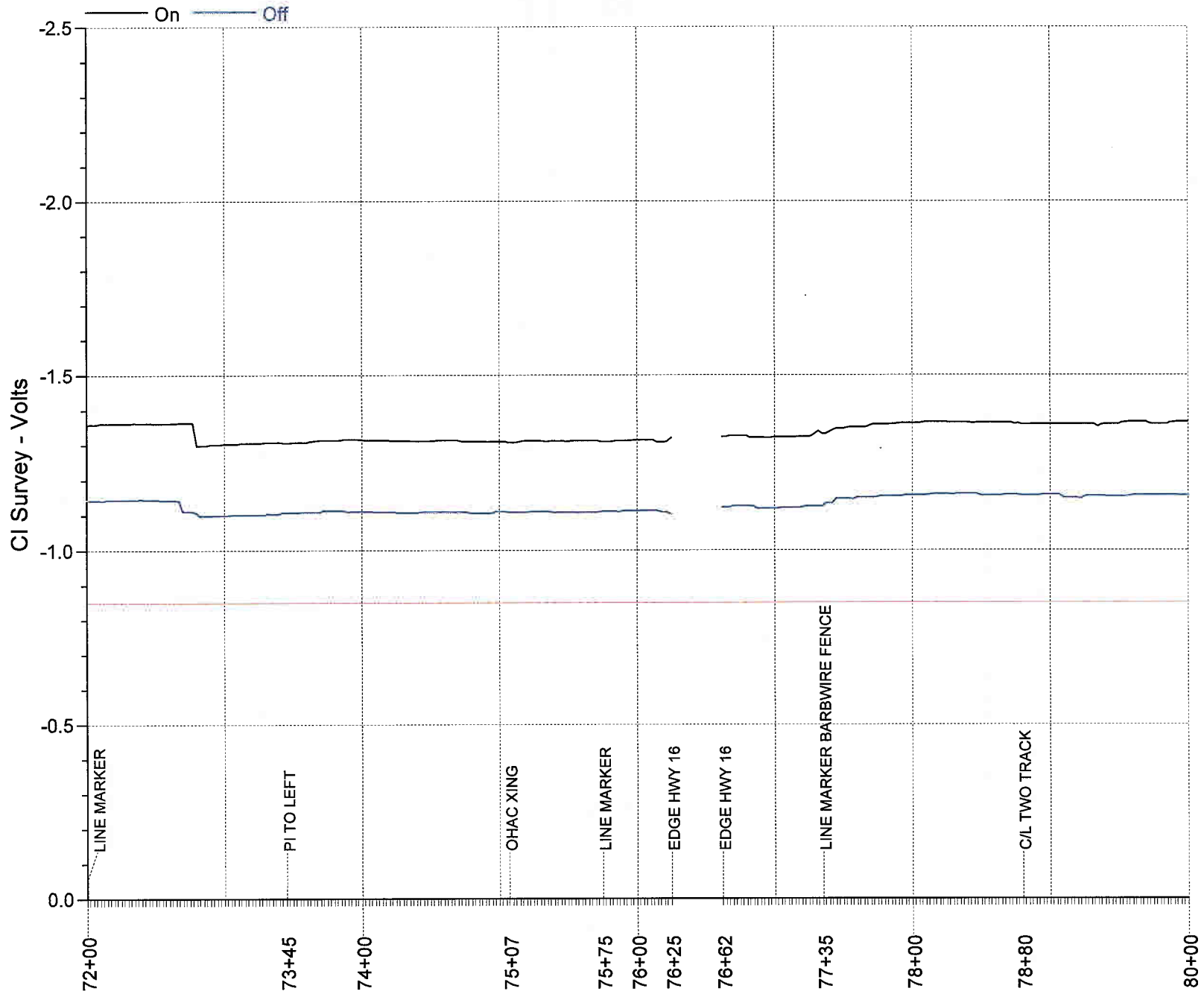
SemStream, LP

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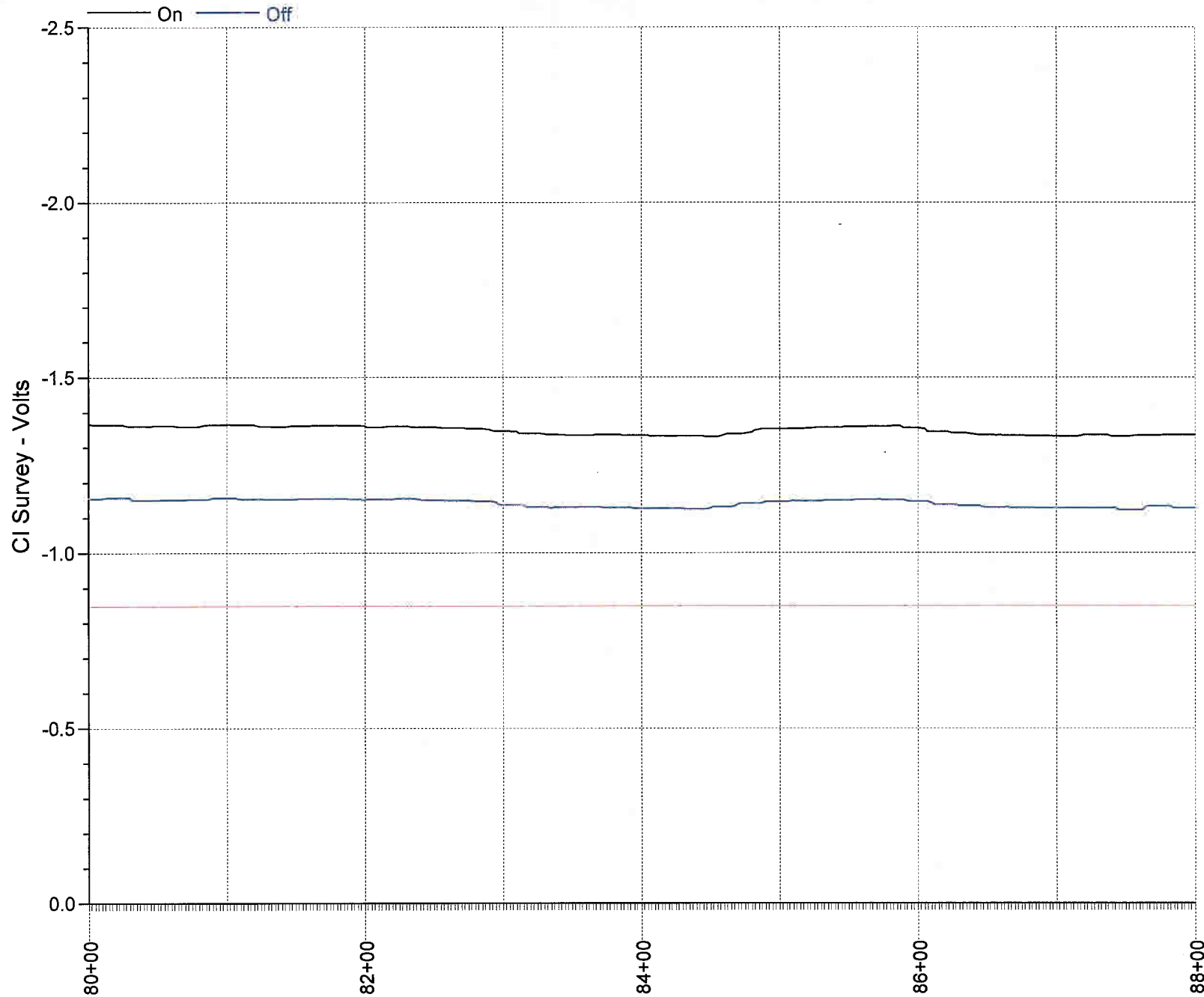
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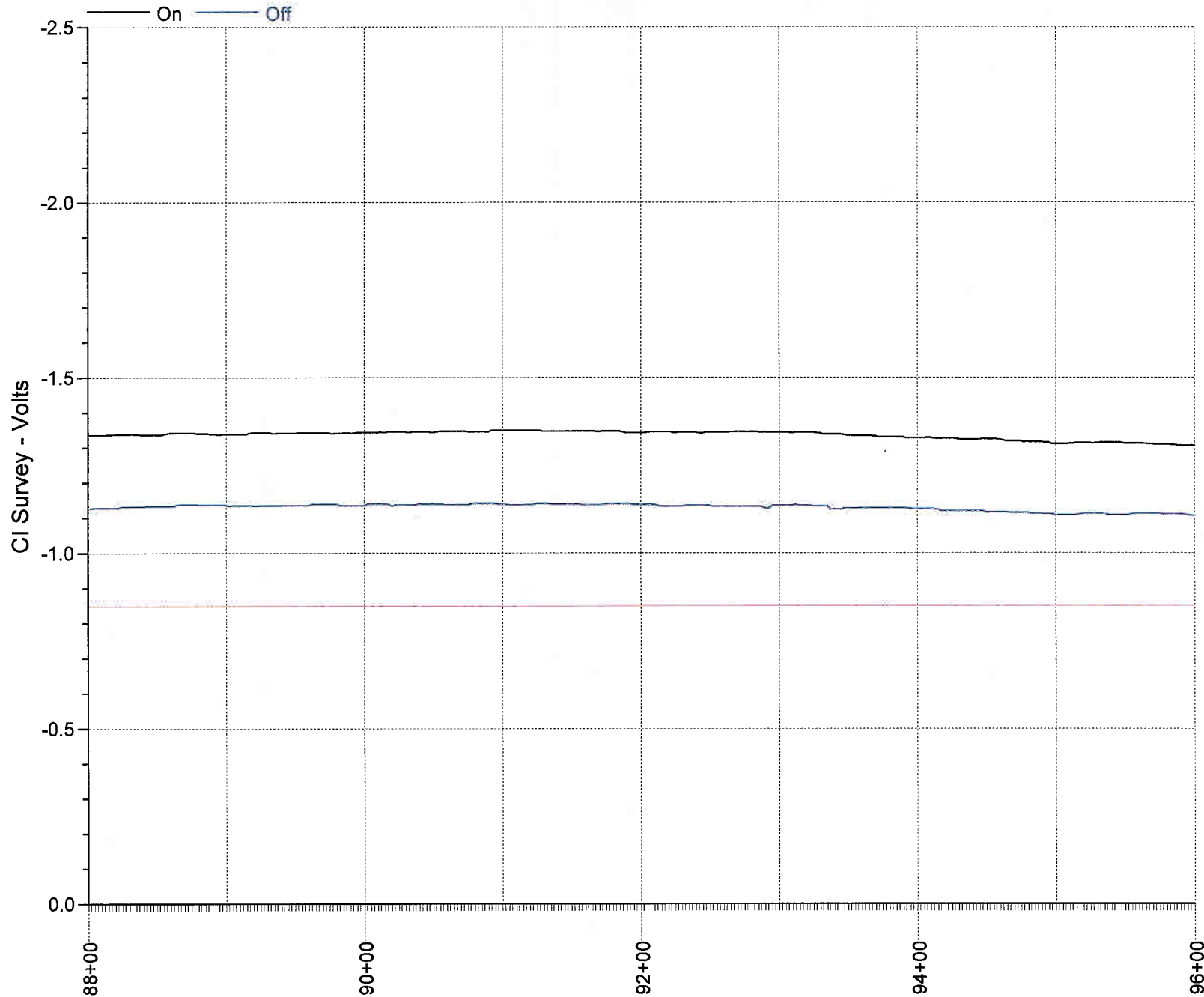
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



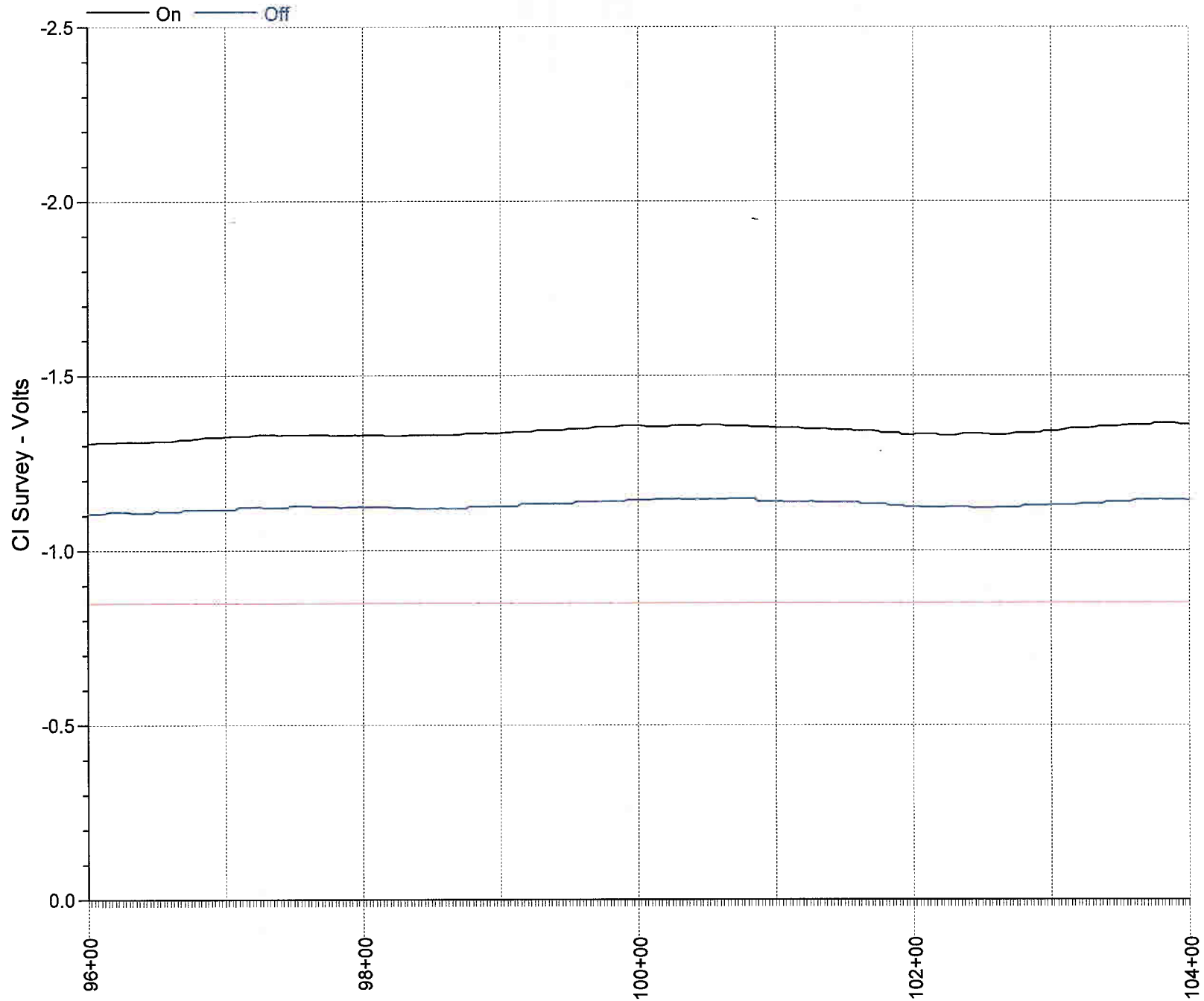
SemStream, LP

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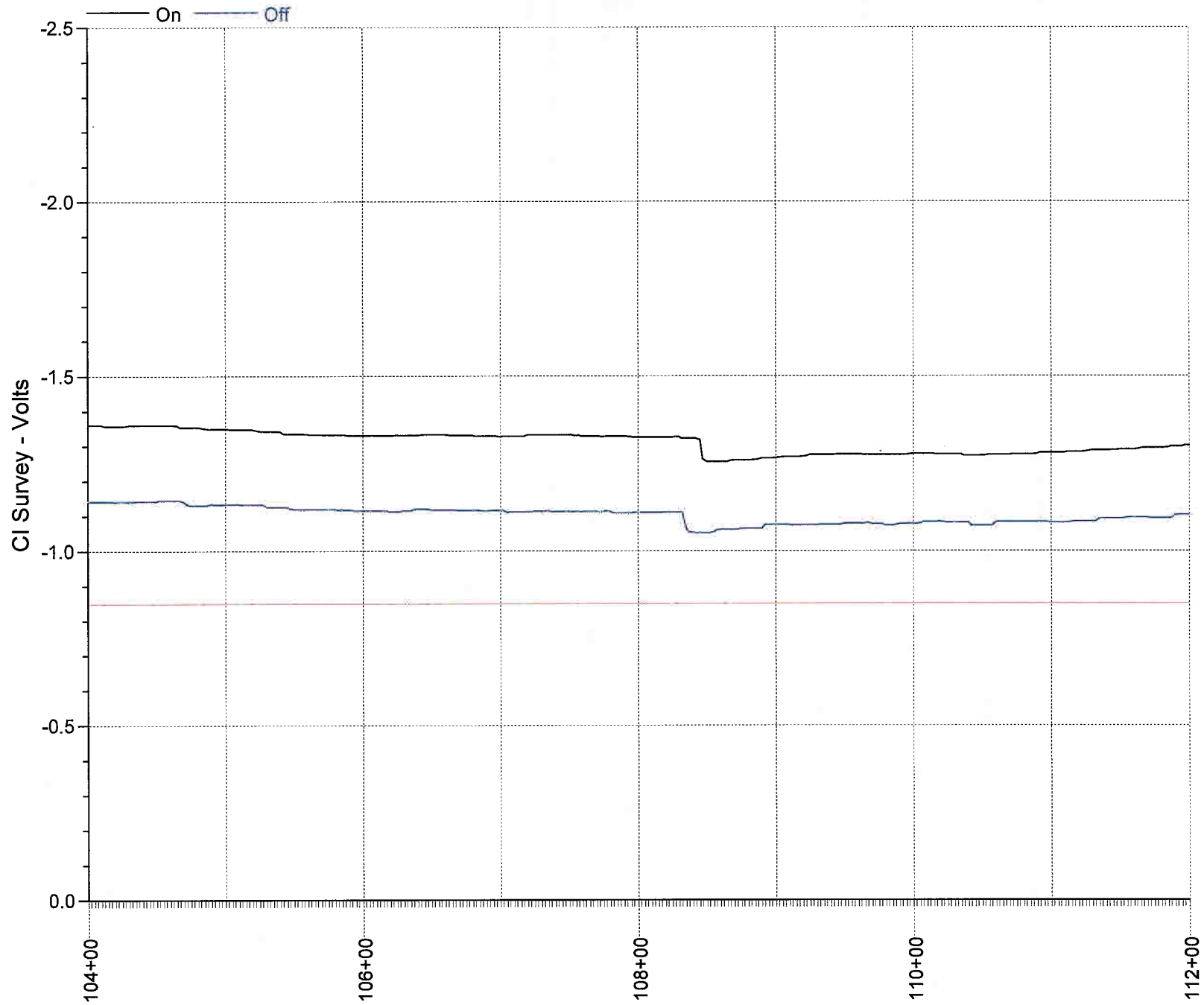
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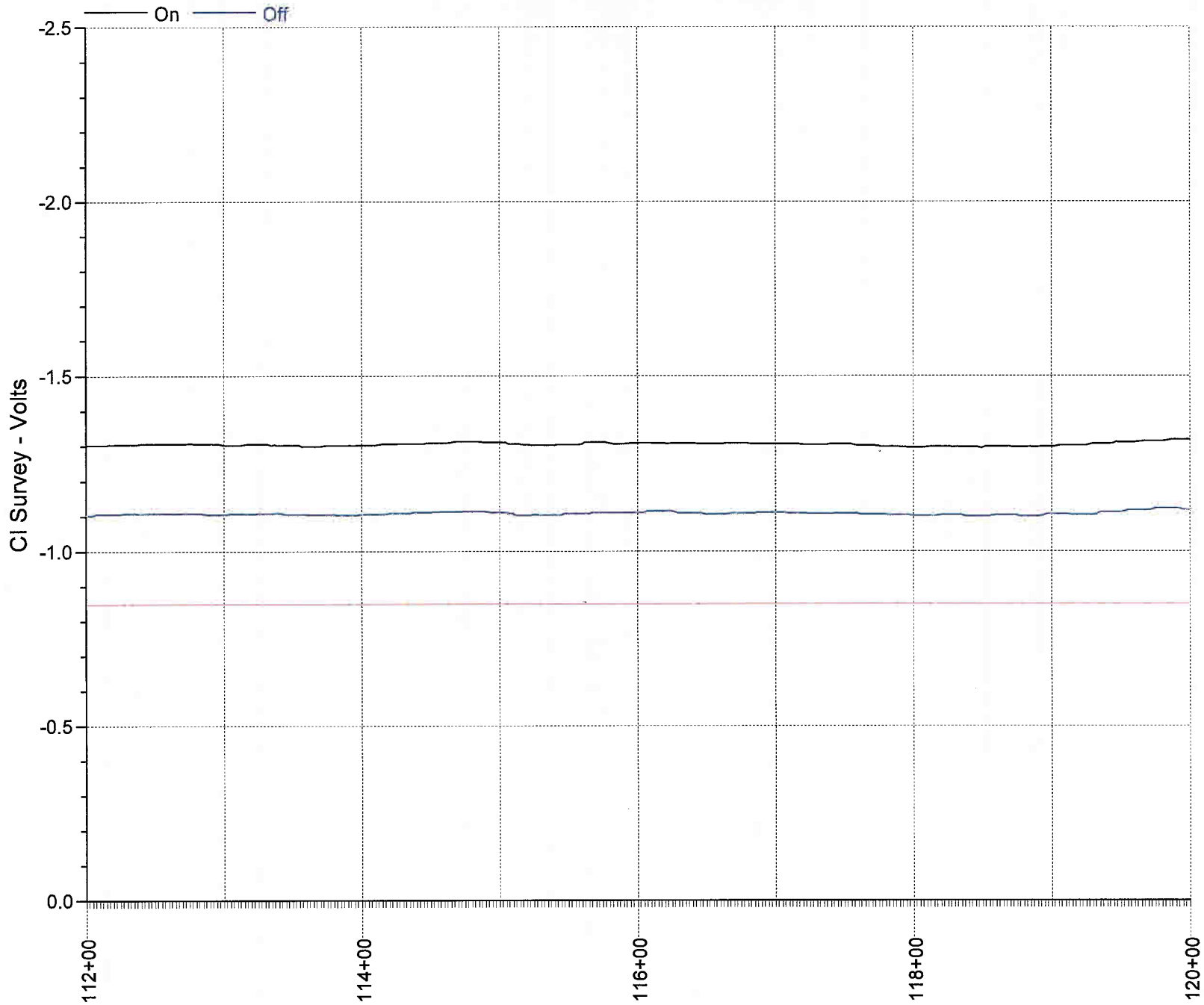
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ROW: 4-INCH BAKKEN; bakken line



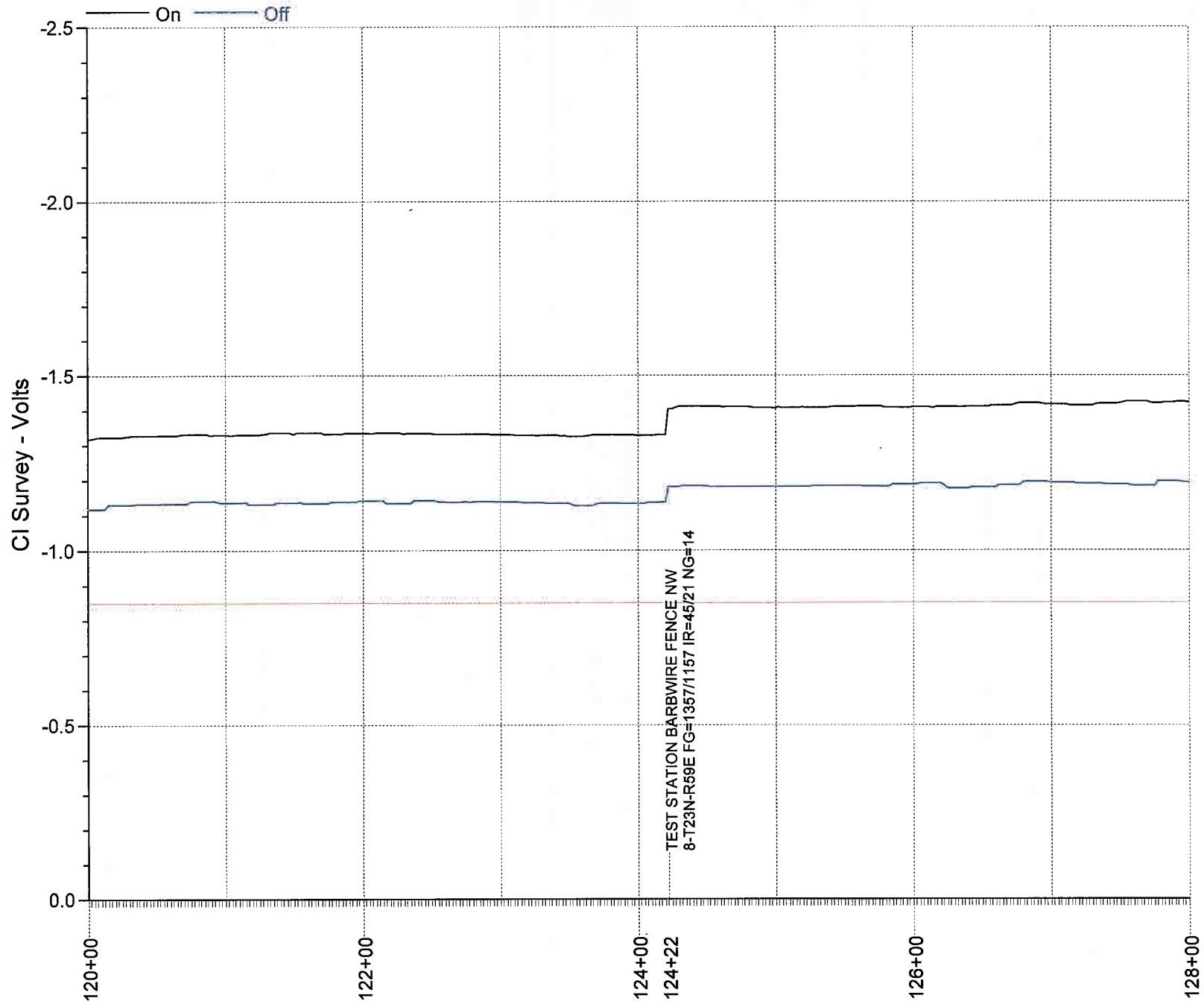
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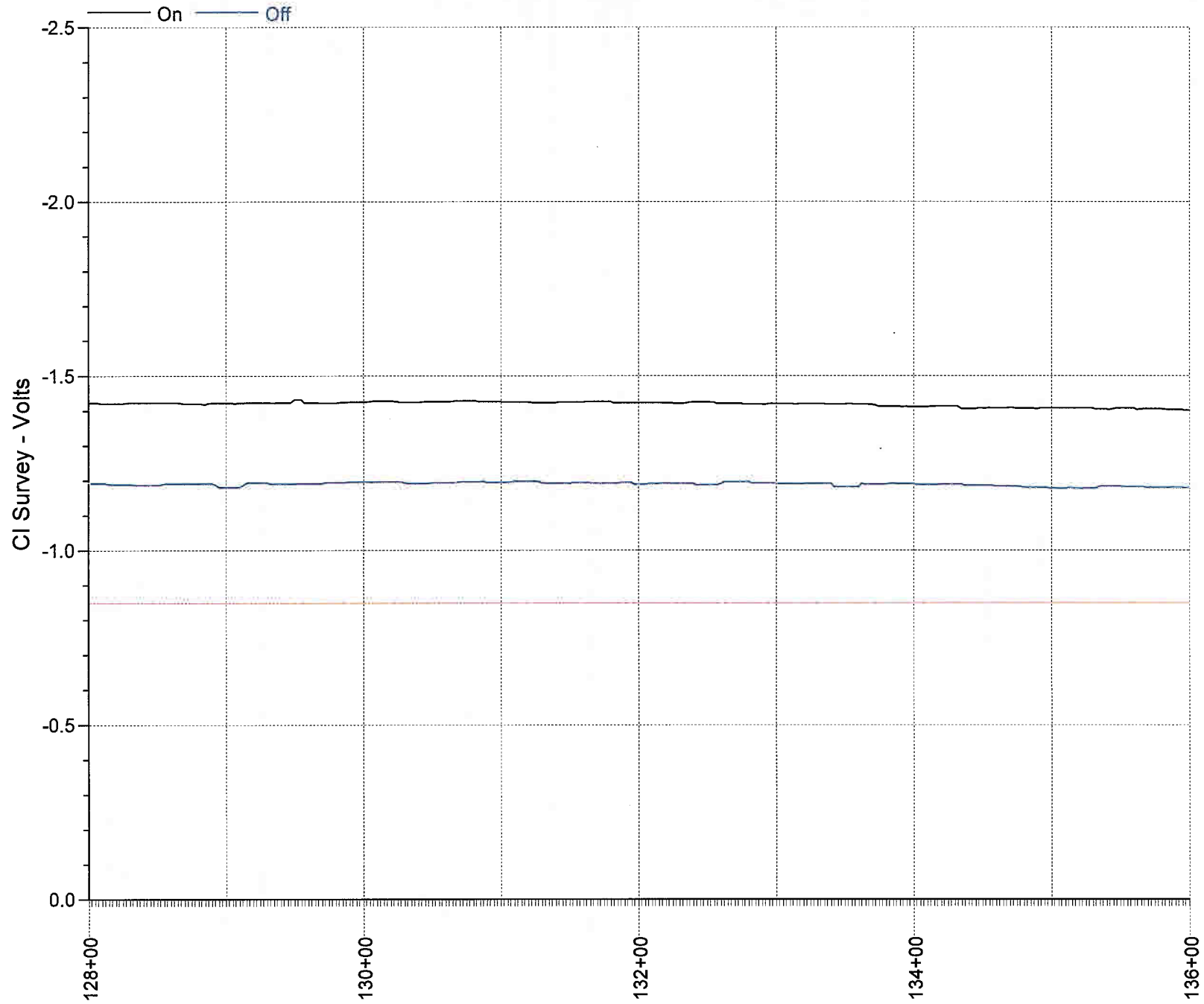
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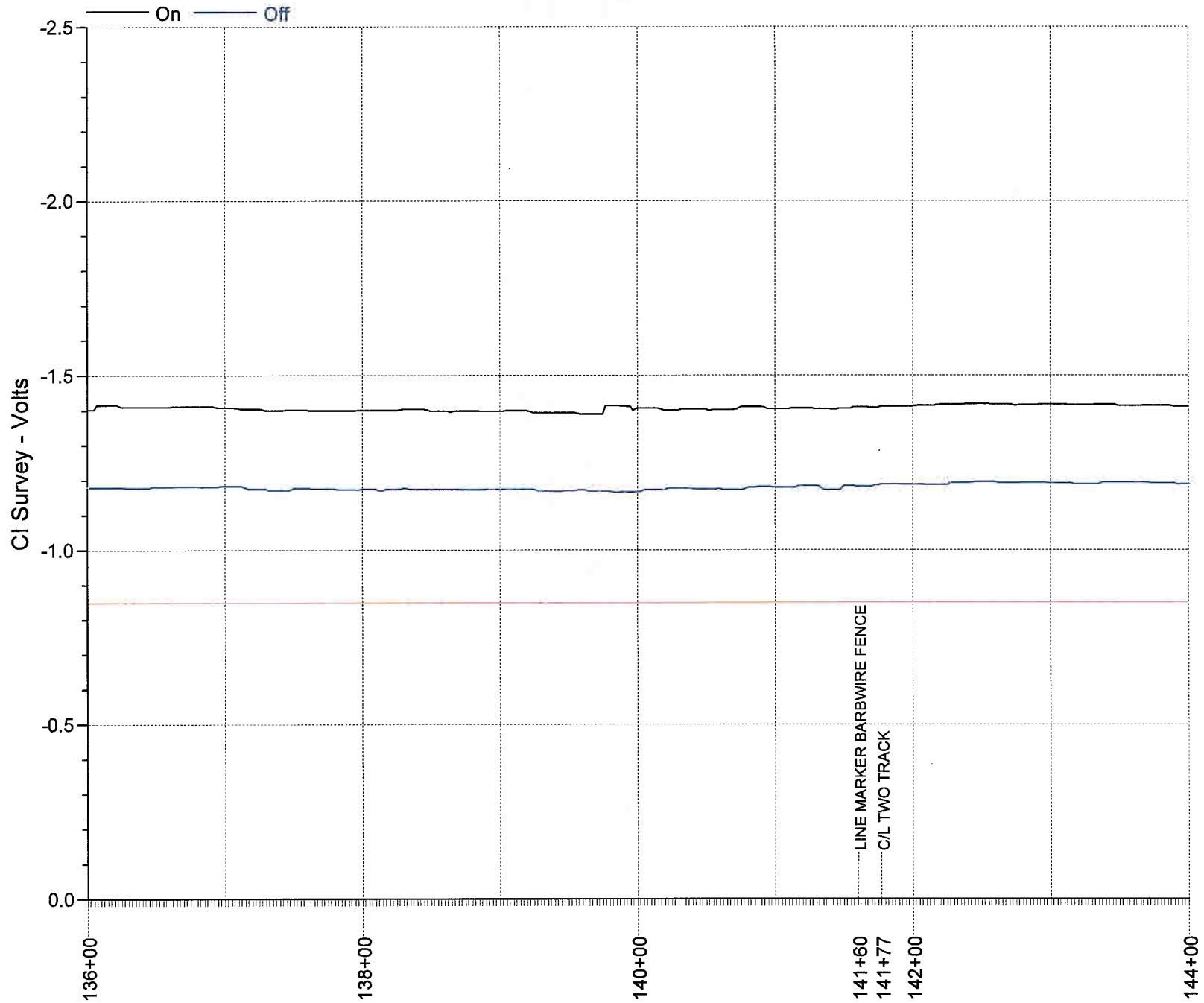
SemStream, LP

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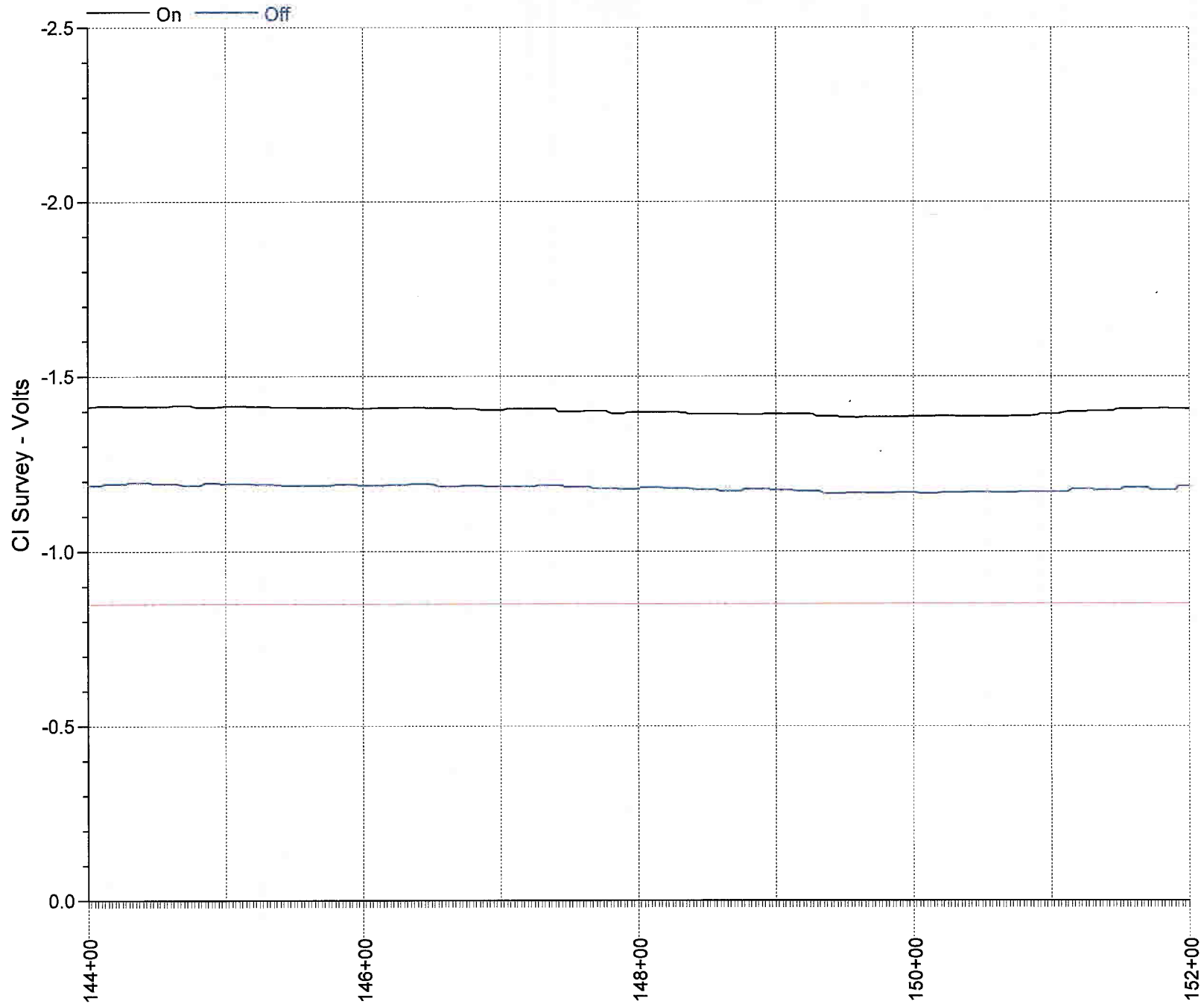
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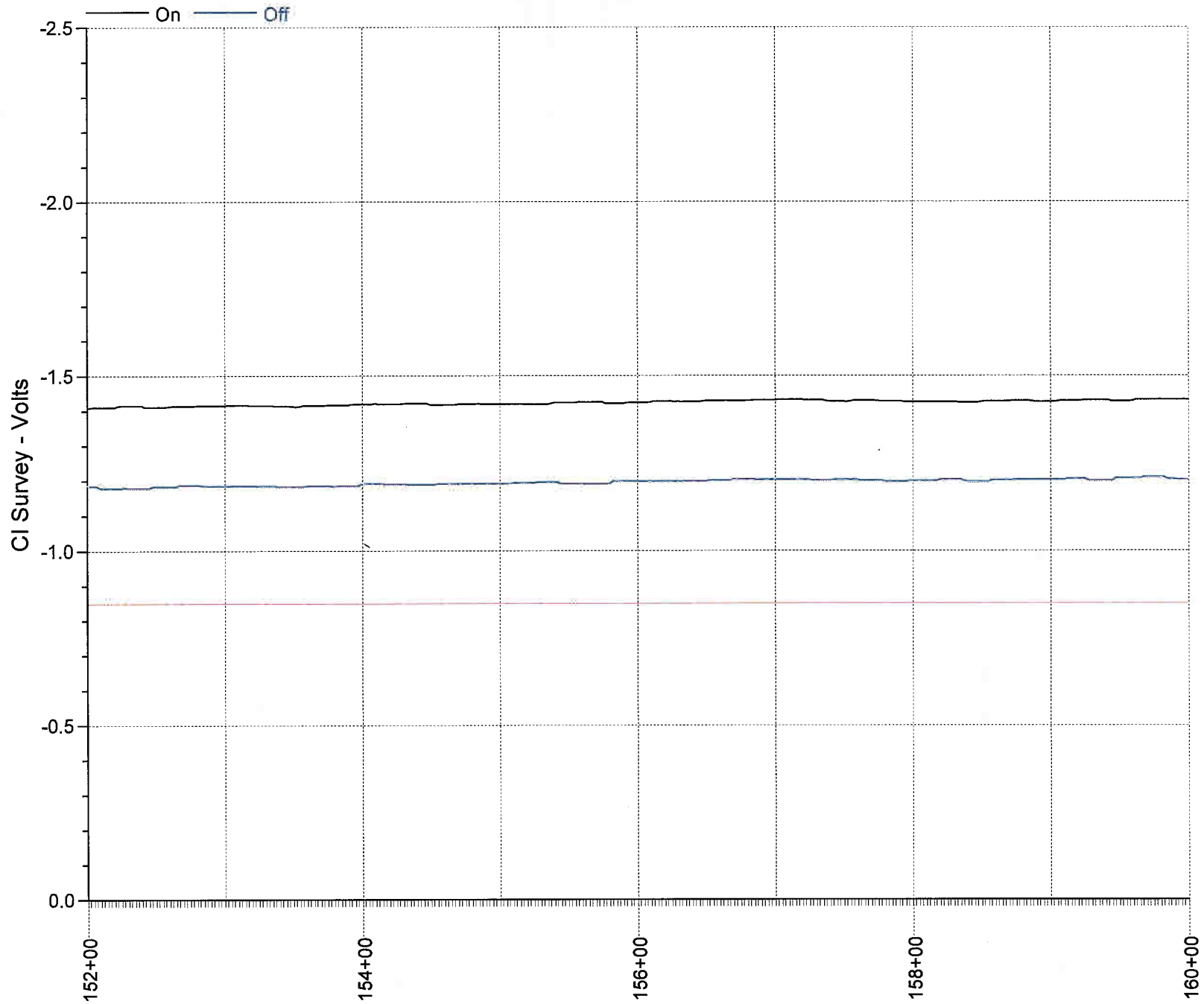
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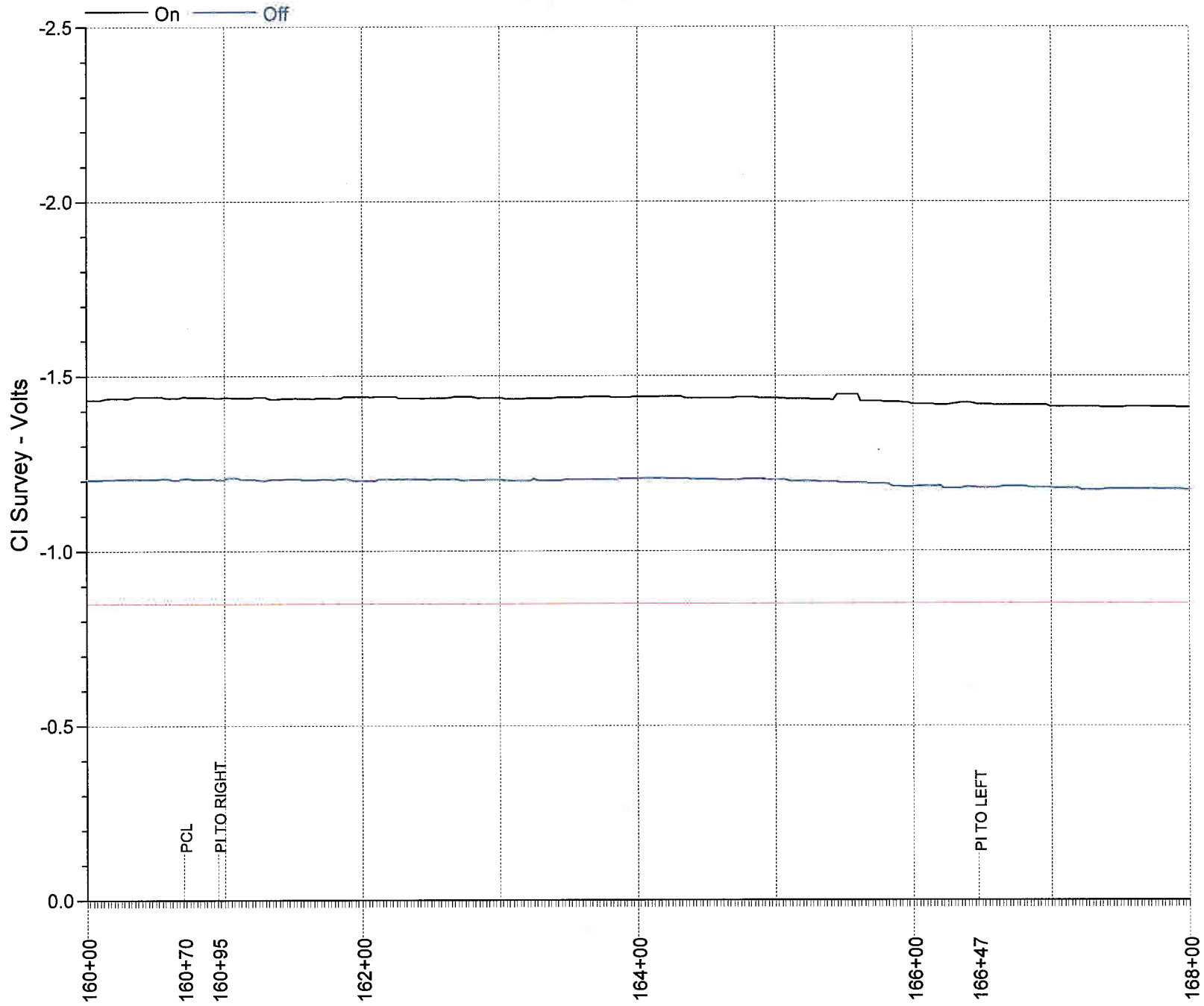
SemStream, LP

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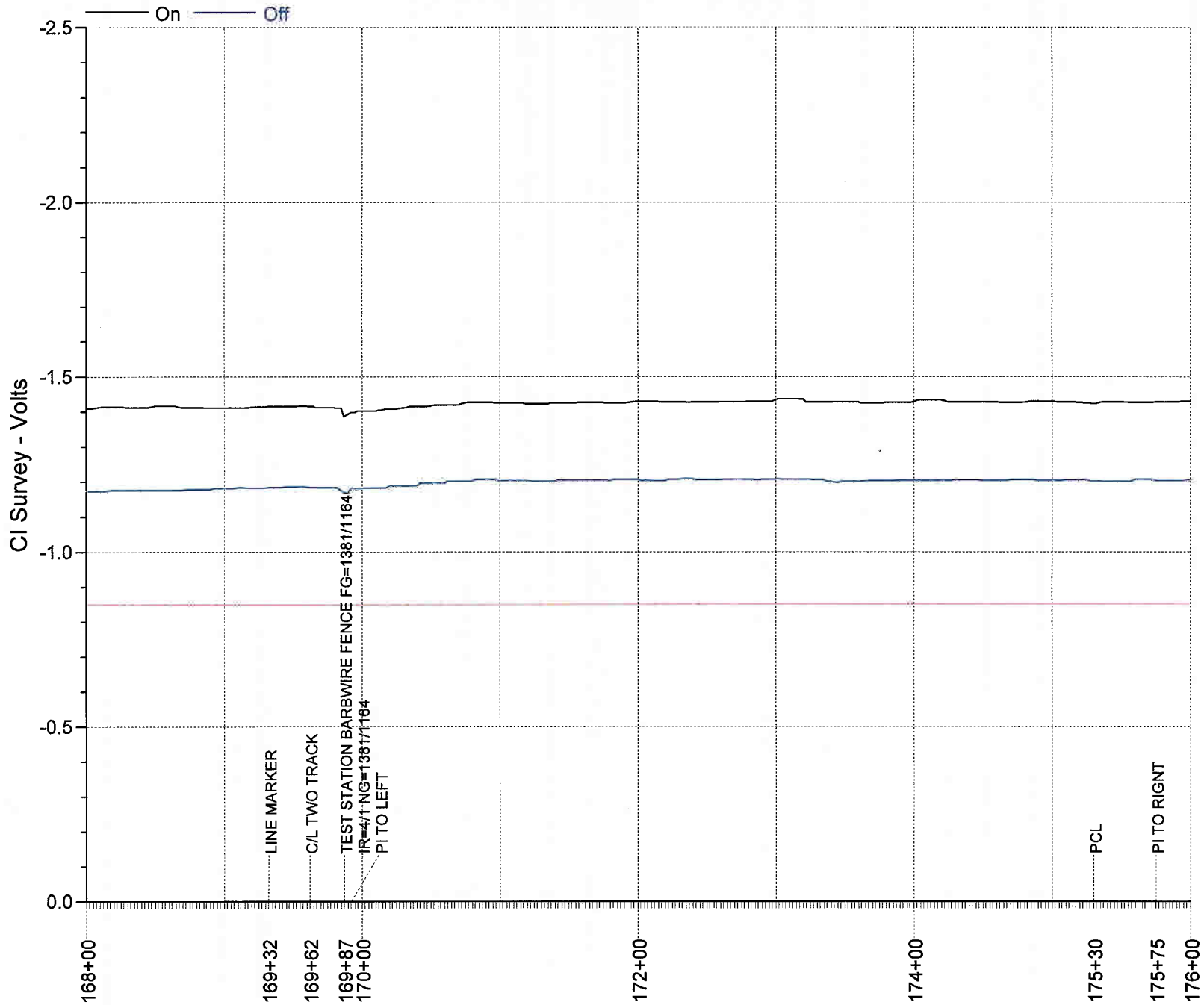
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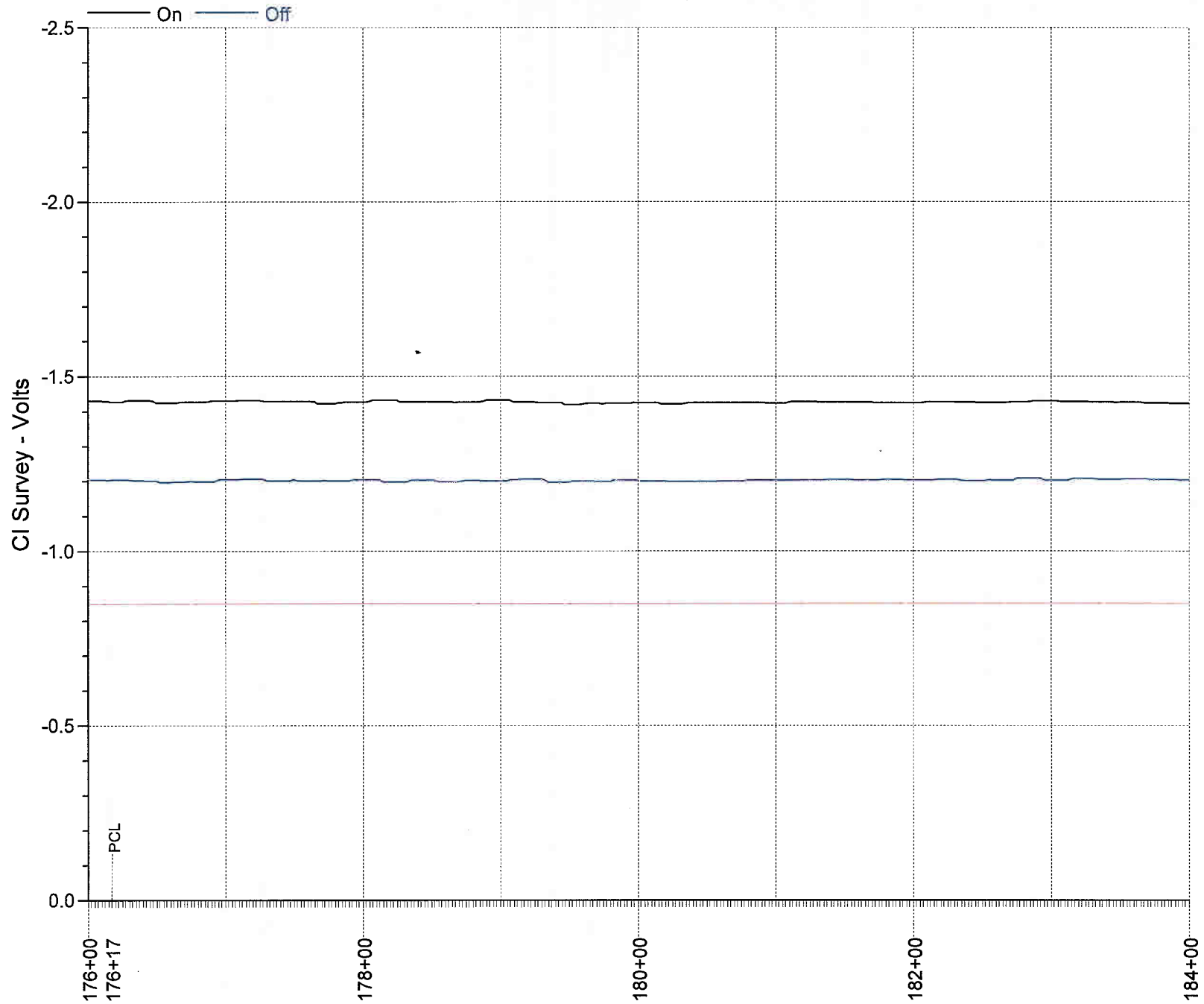
SemStream, LP

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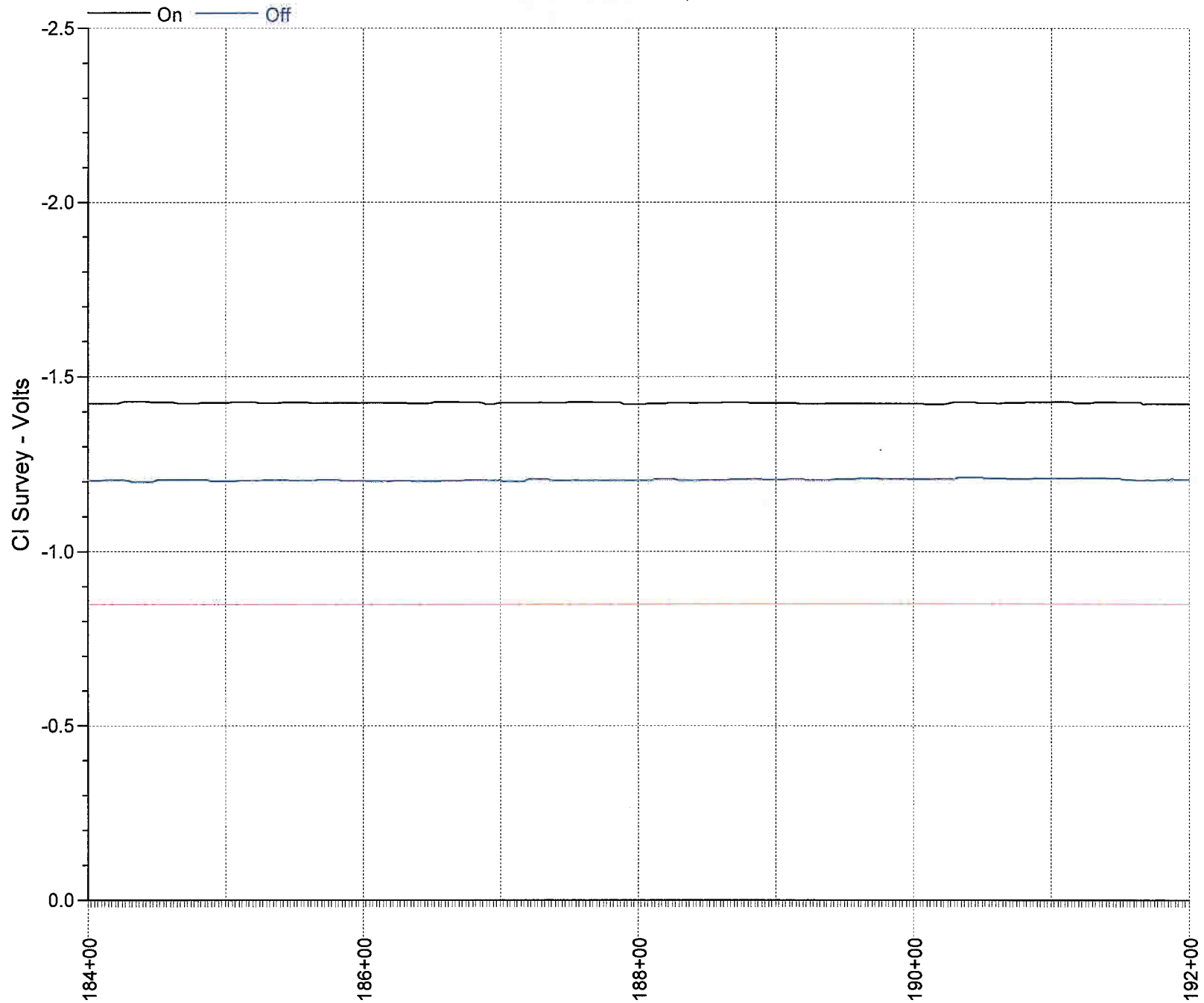
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



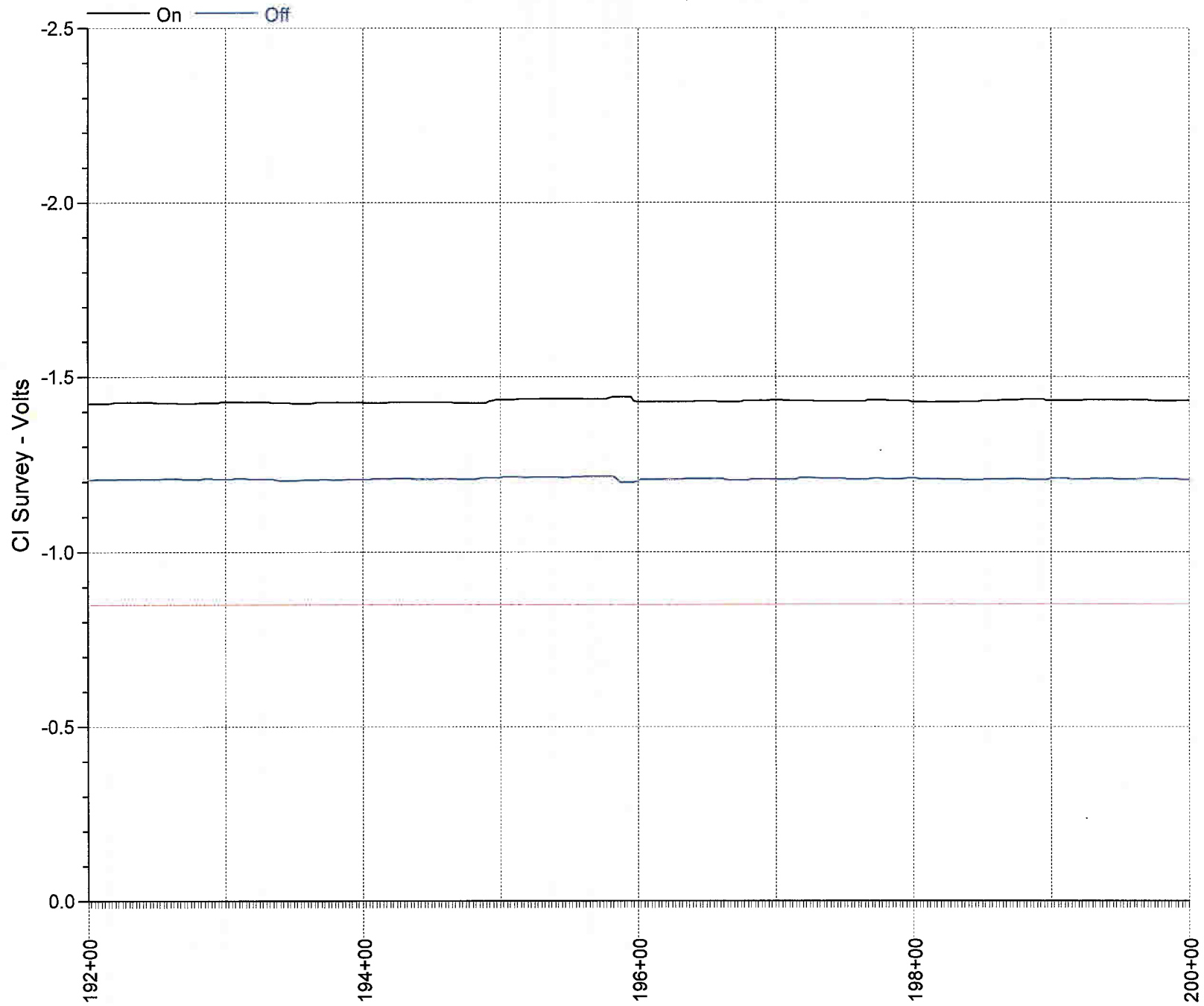
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



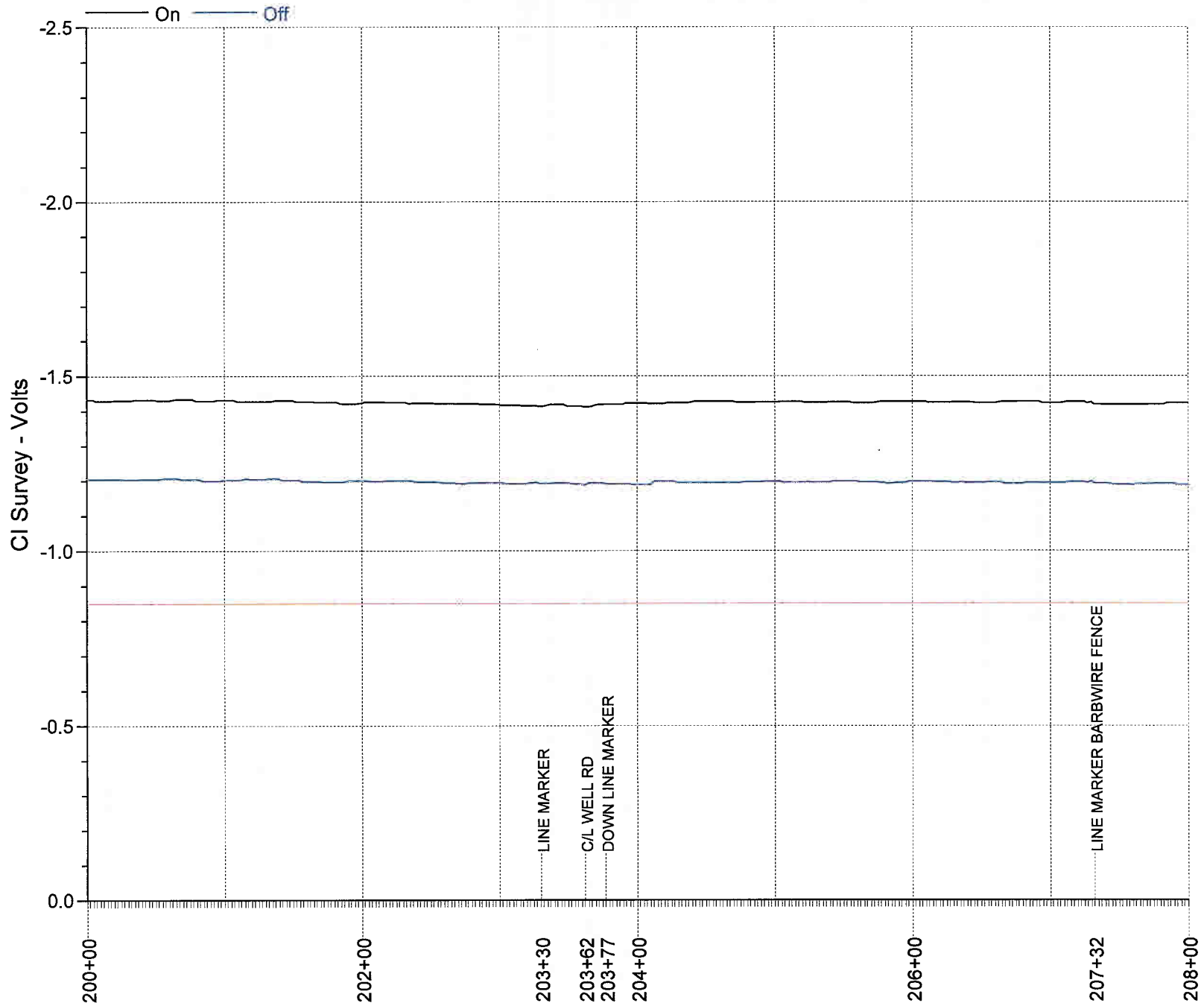
SemStream, LP

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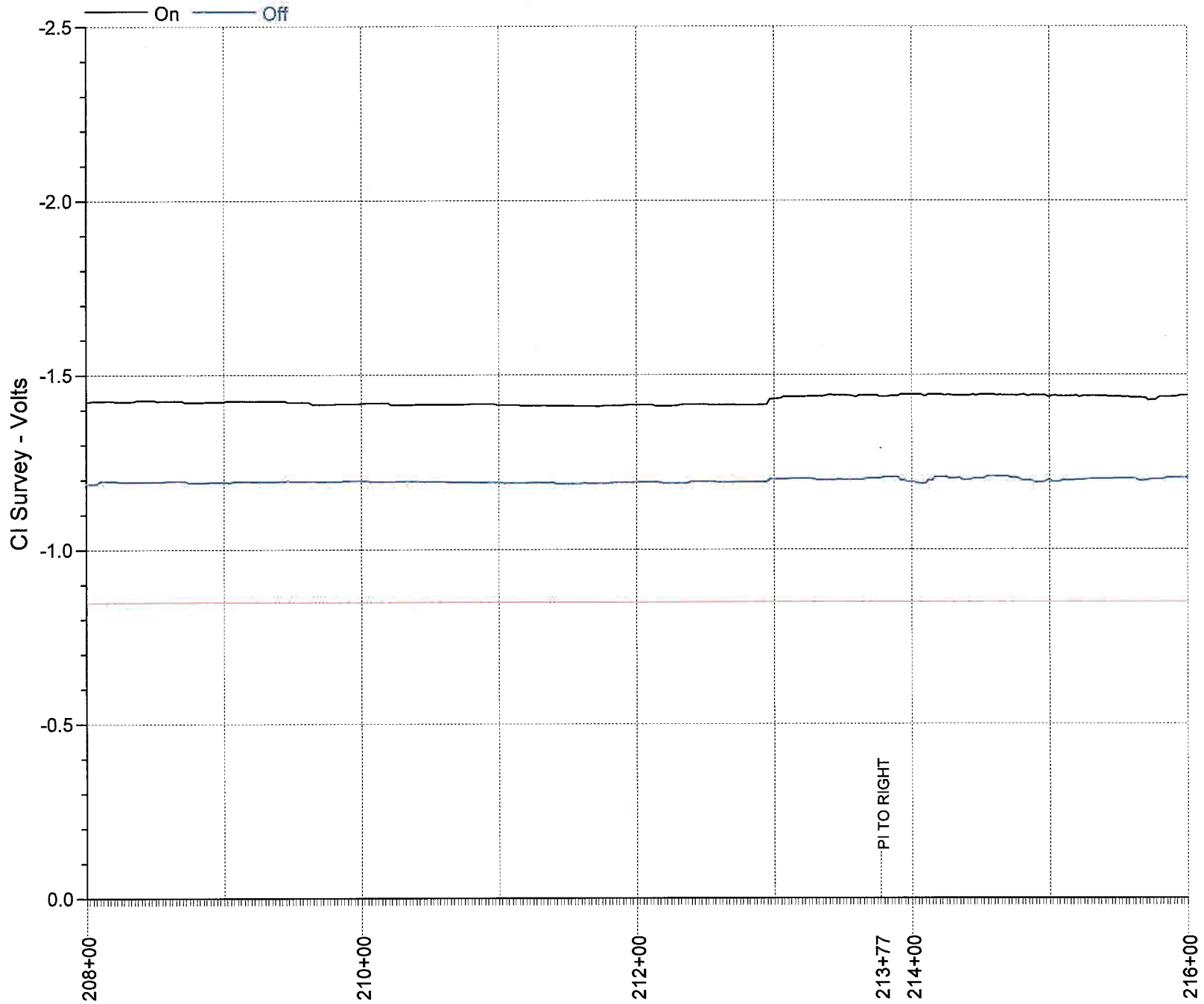
SemStream, LP

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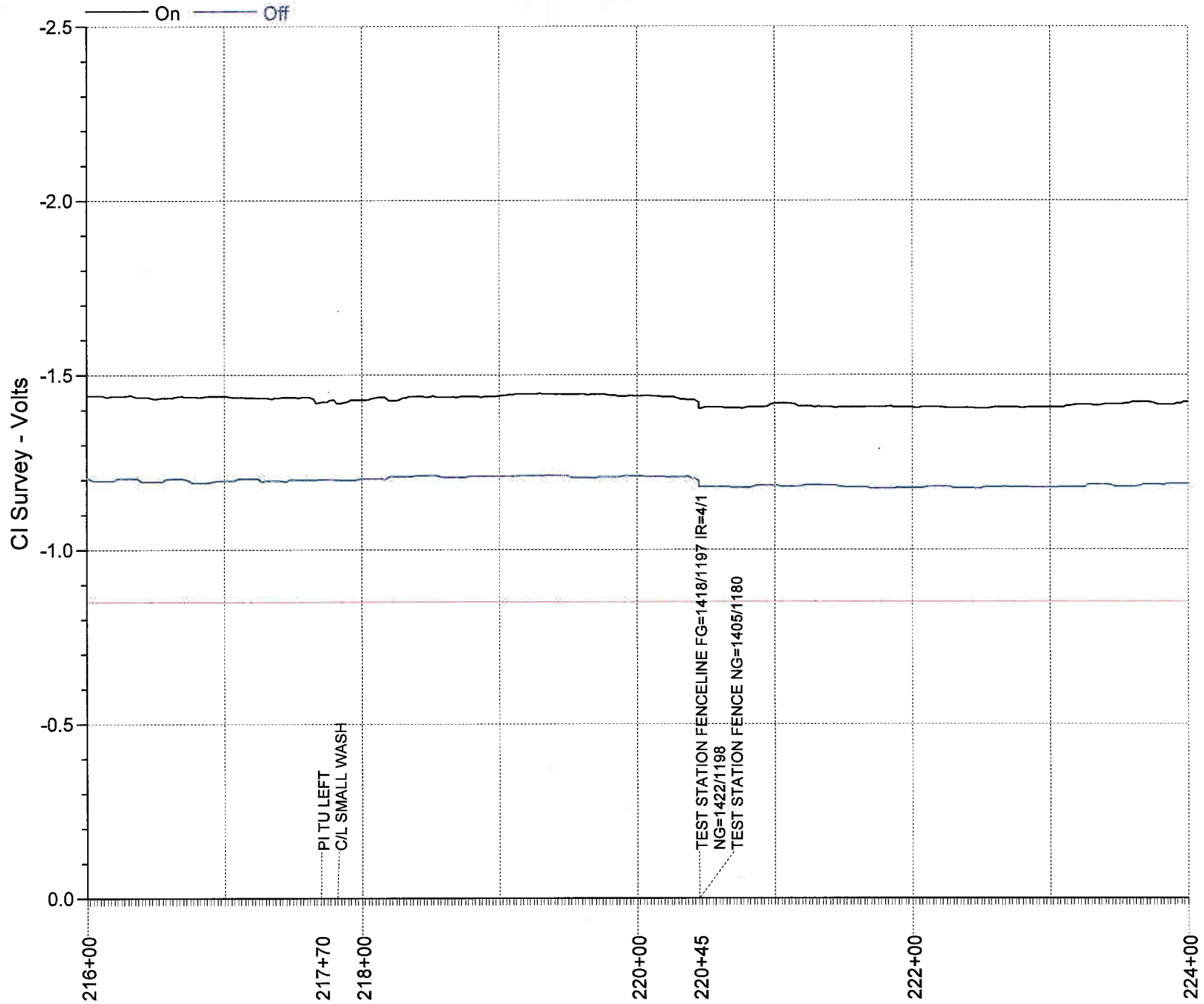
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



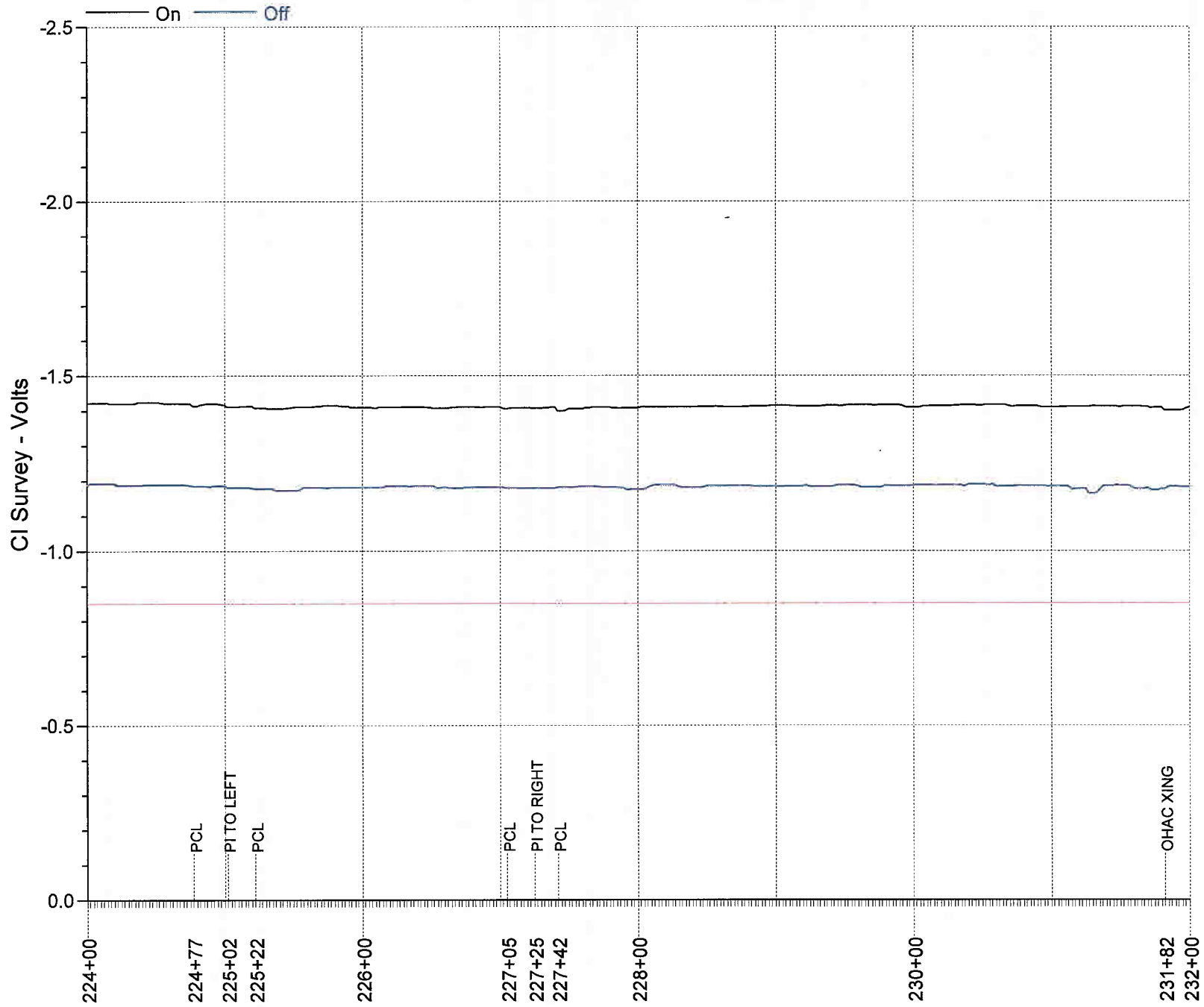
SemStream, LP

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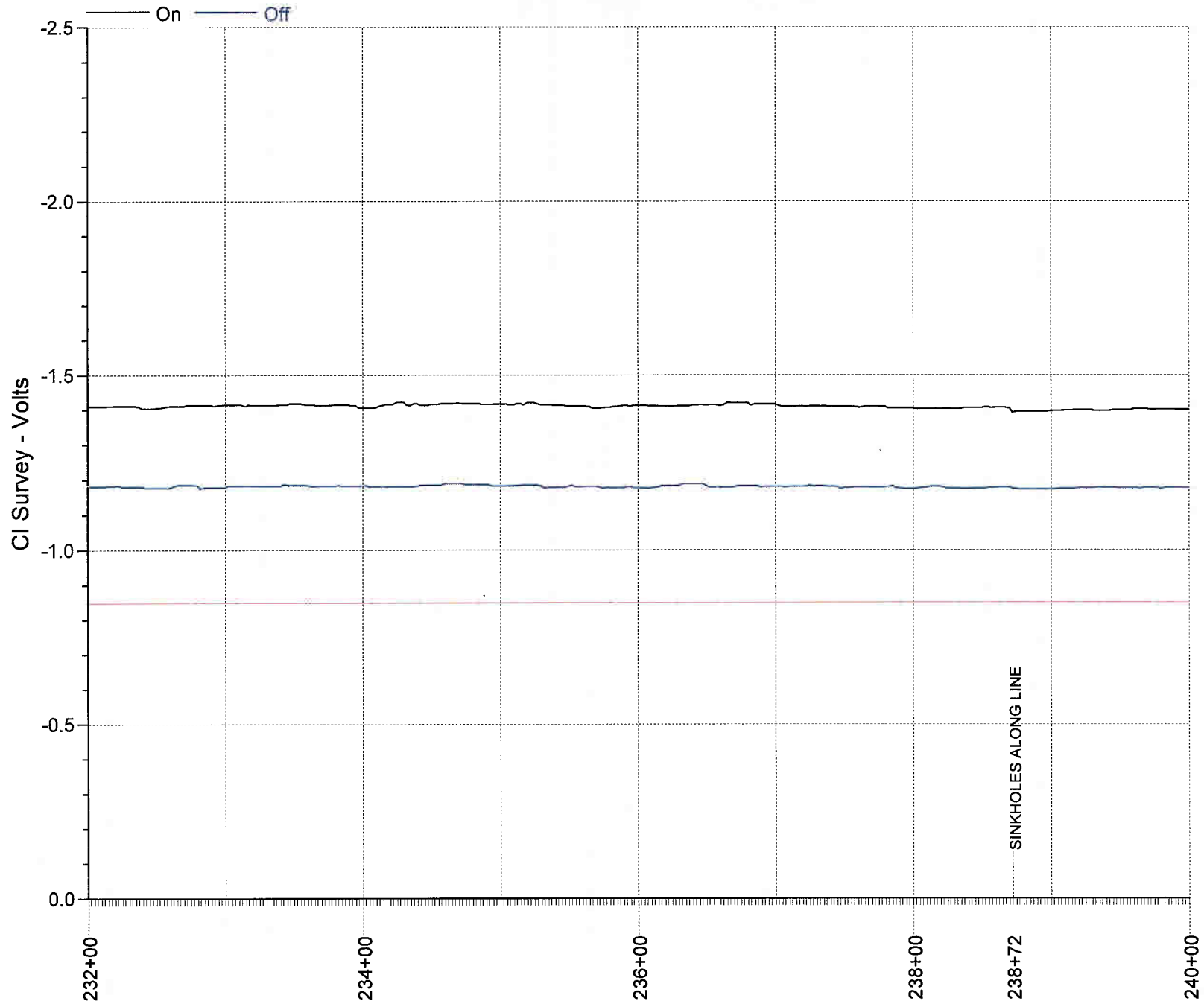
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



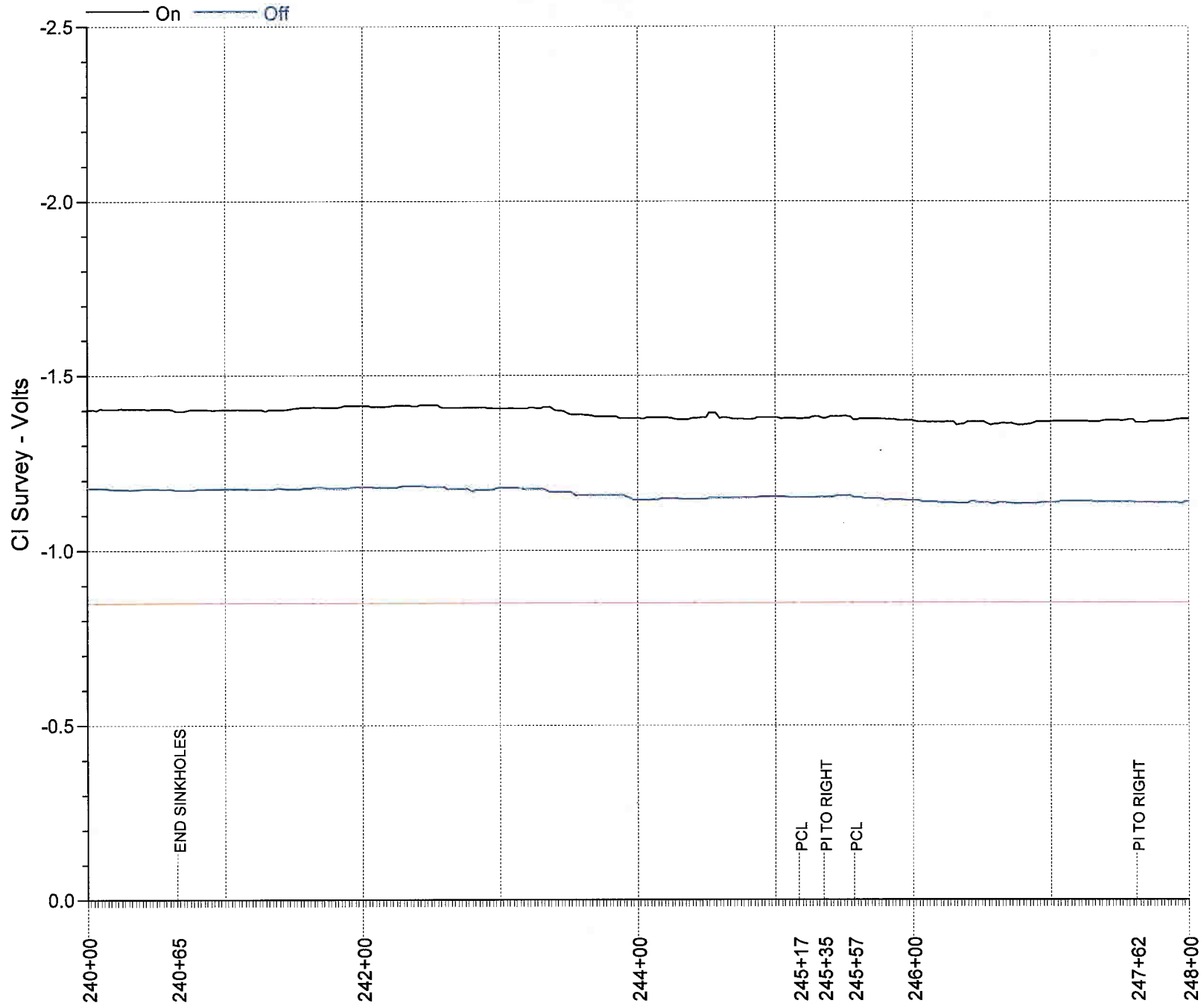
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SemStream, LP

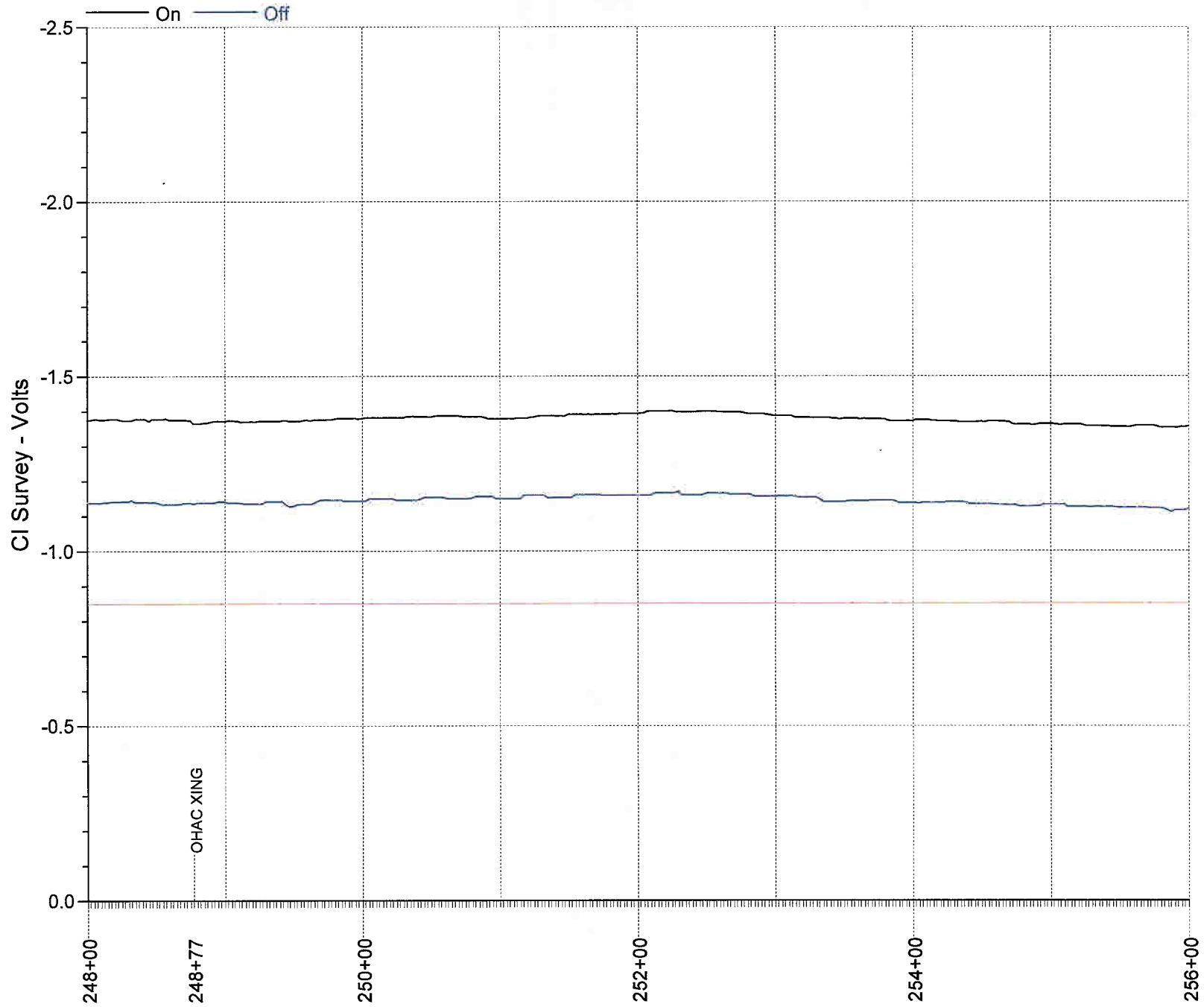
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100 Feet/Inch

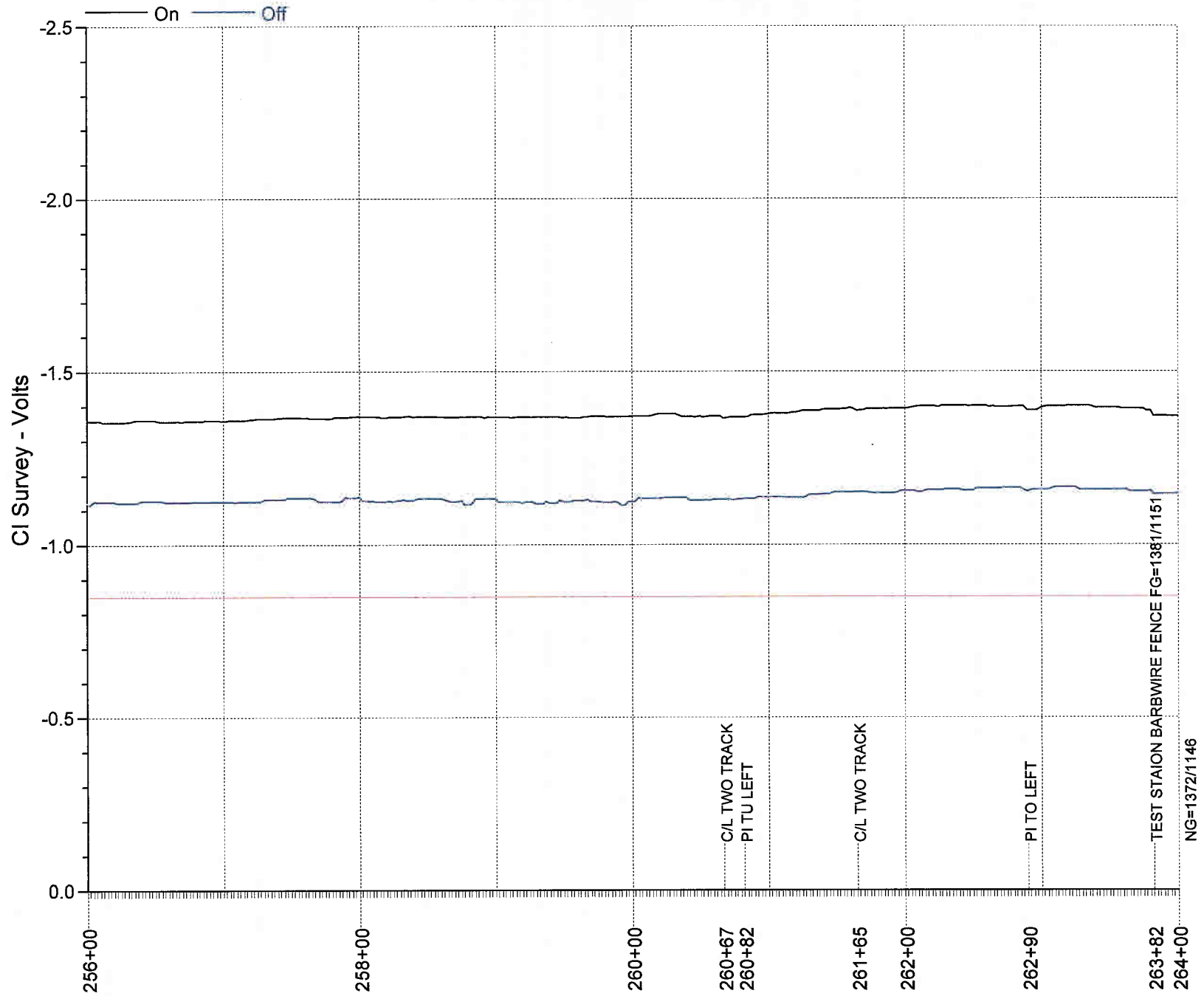
SemStream, LP

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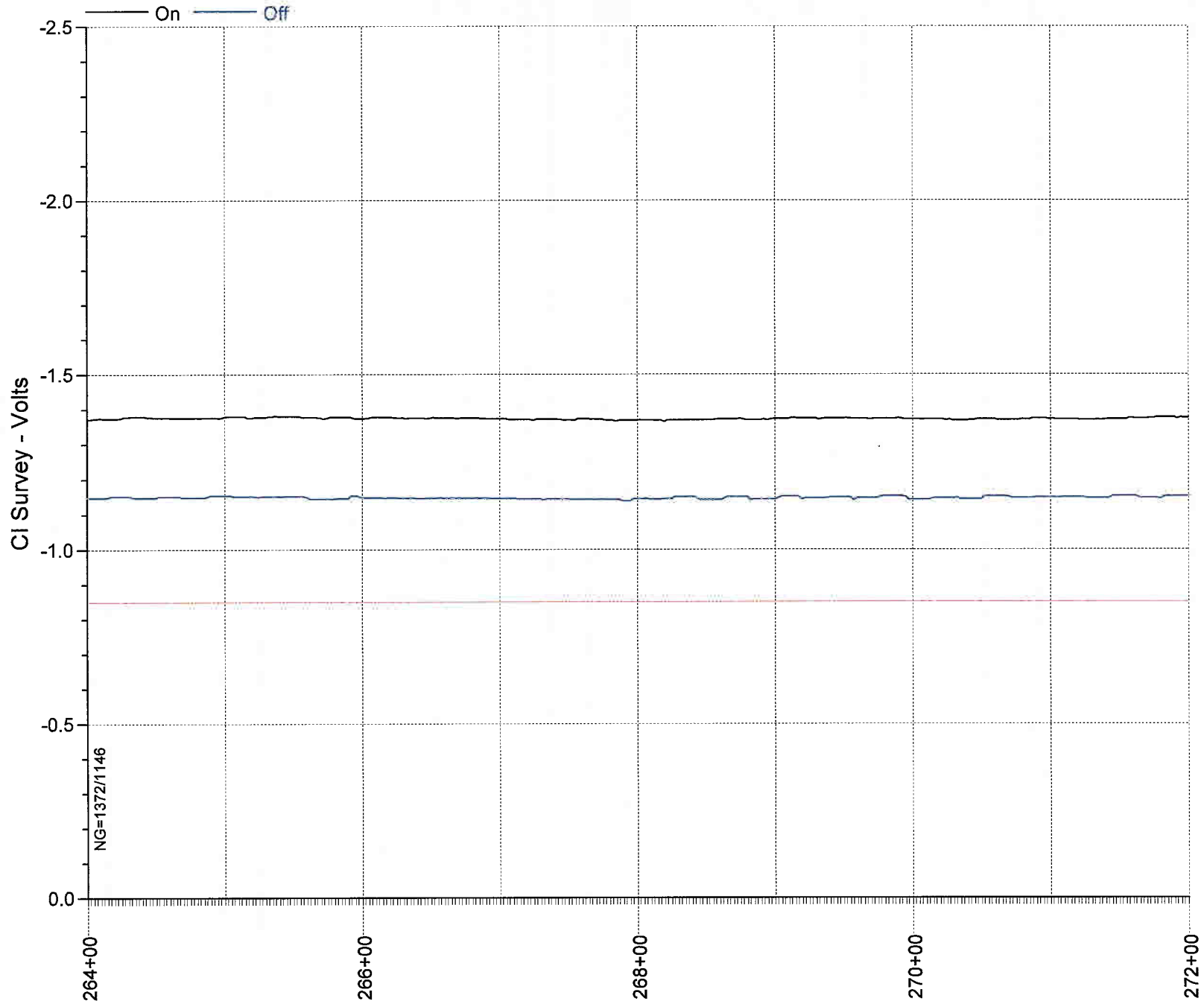
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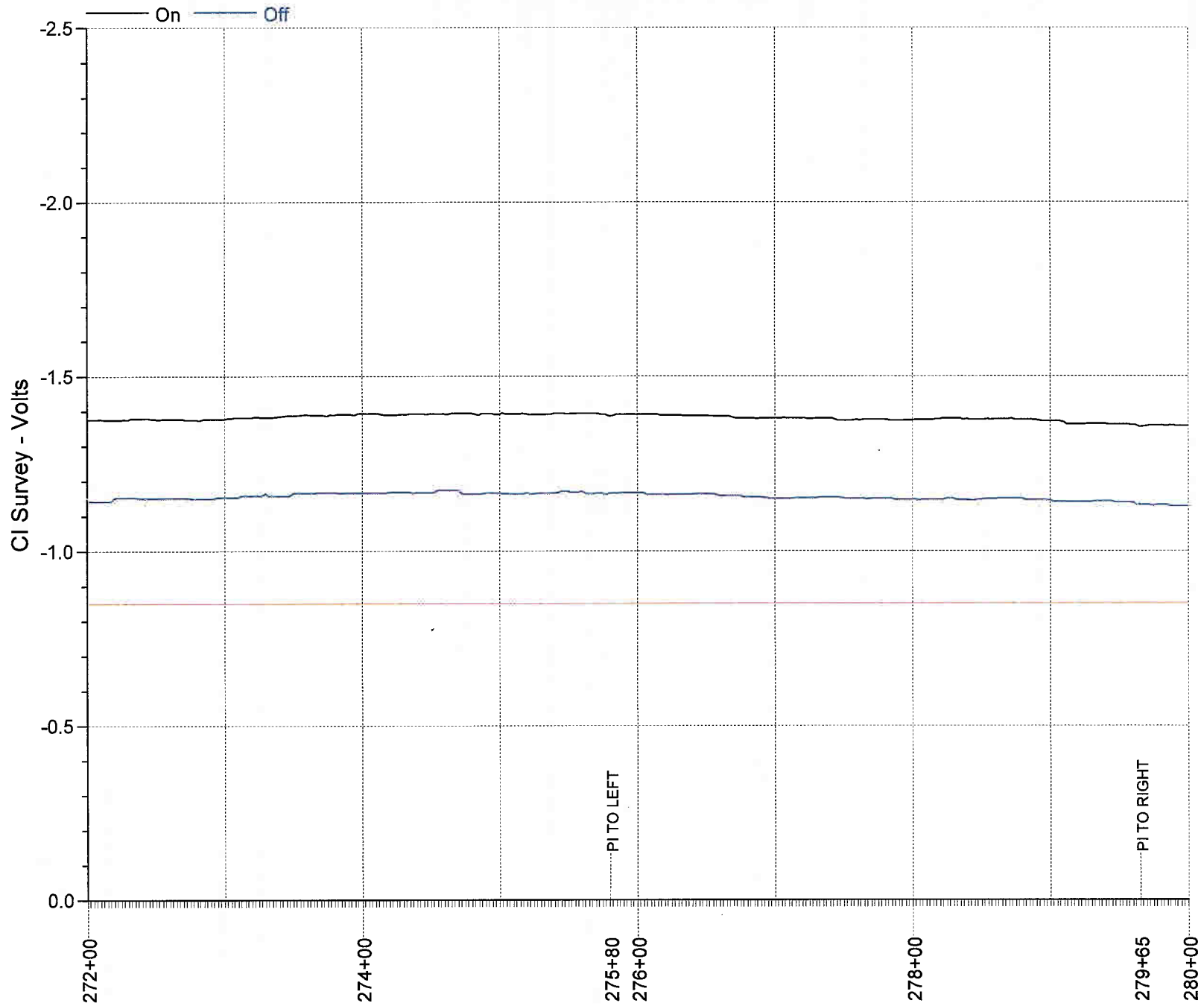
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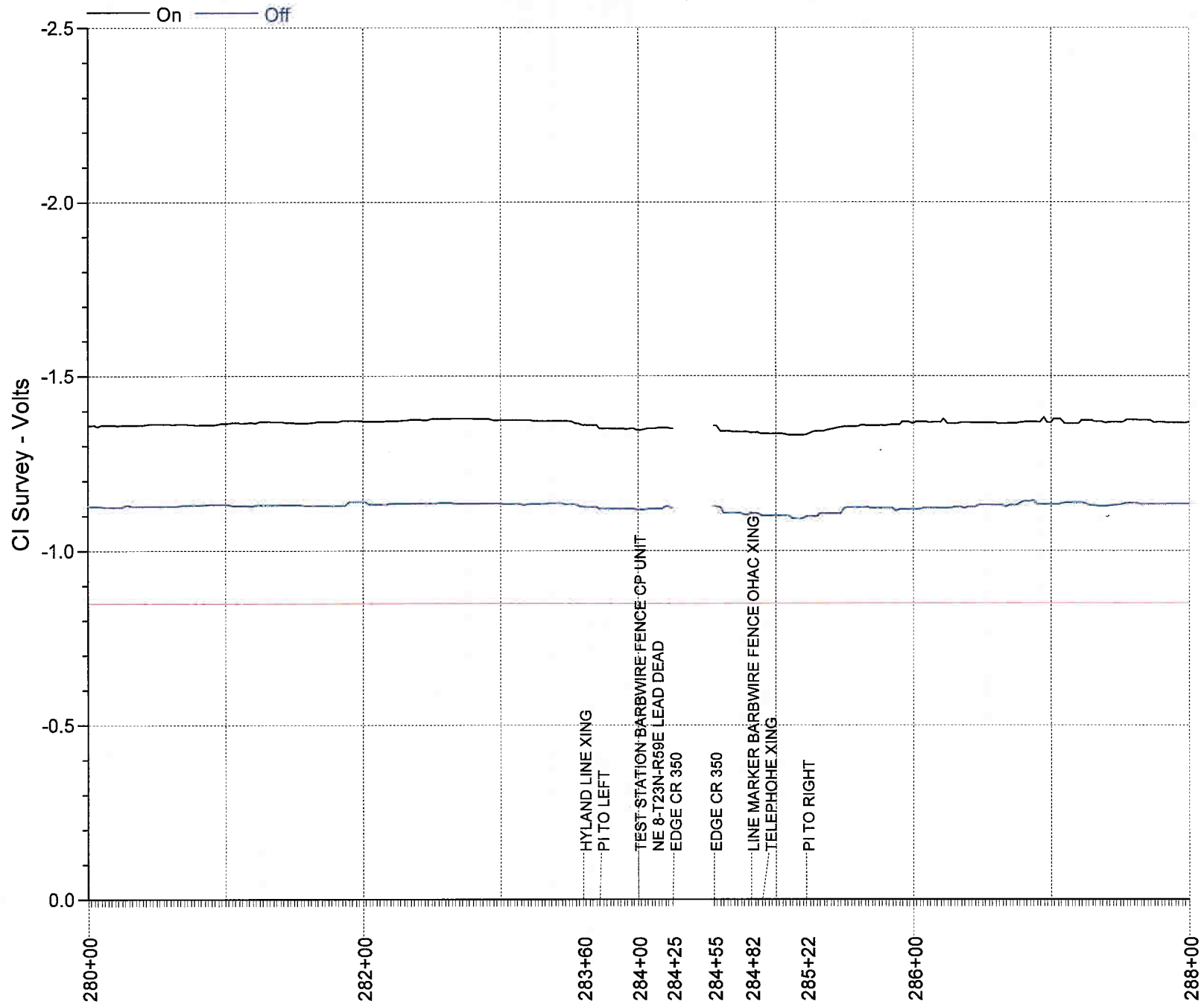
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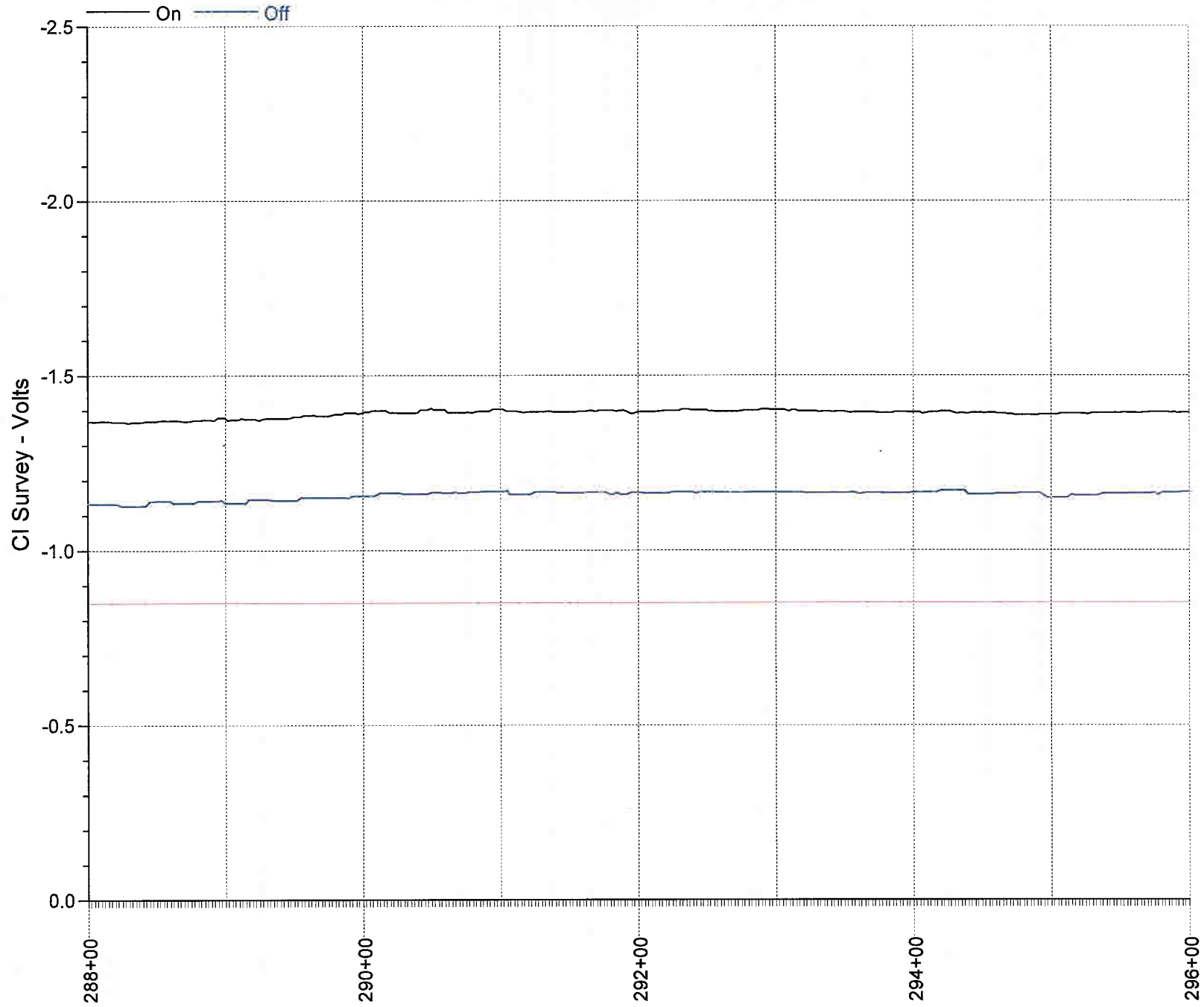
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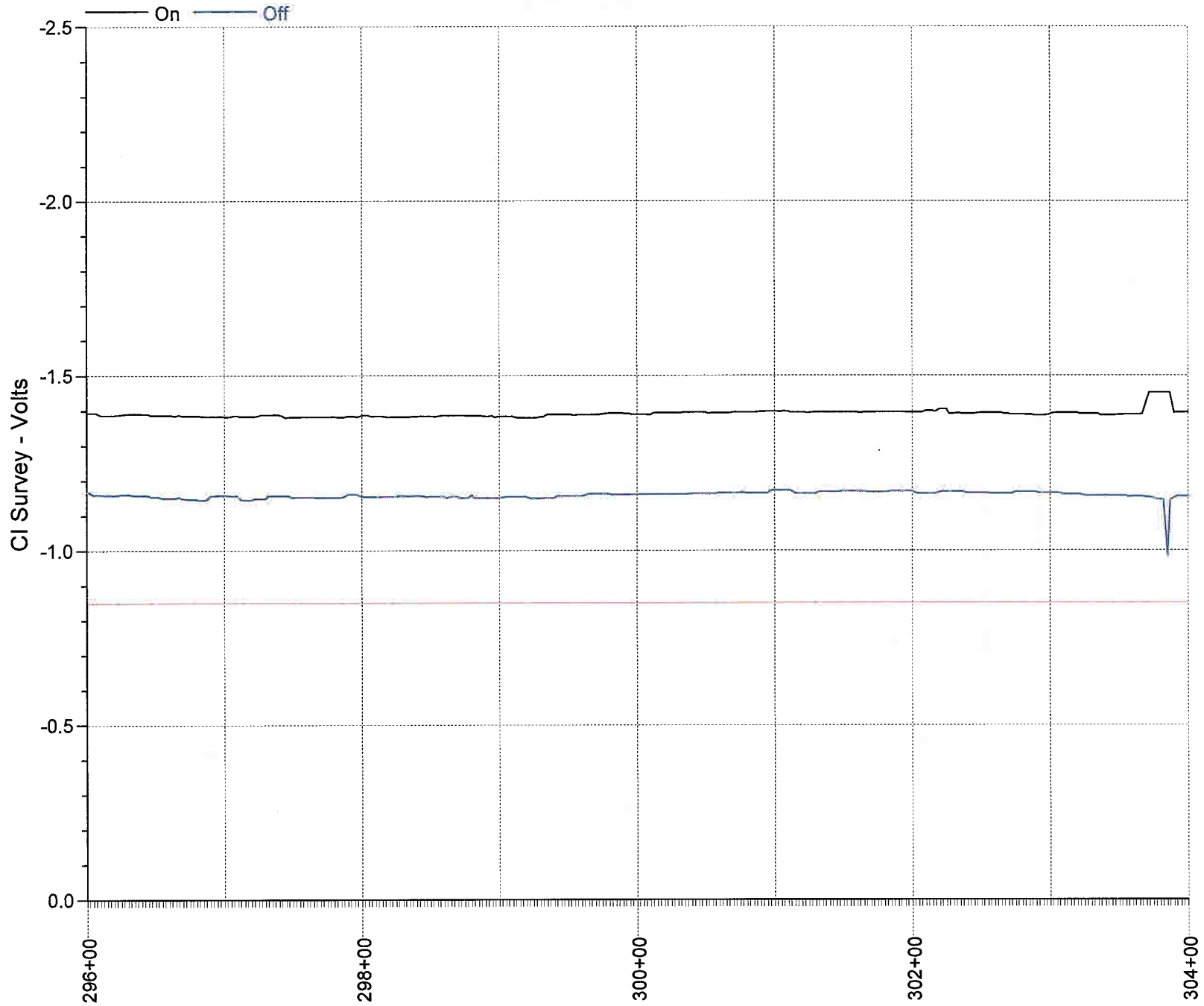
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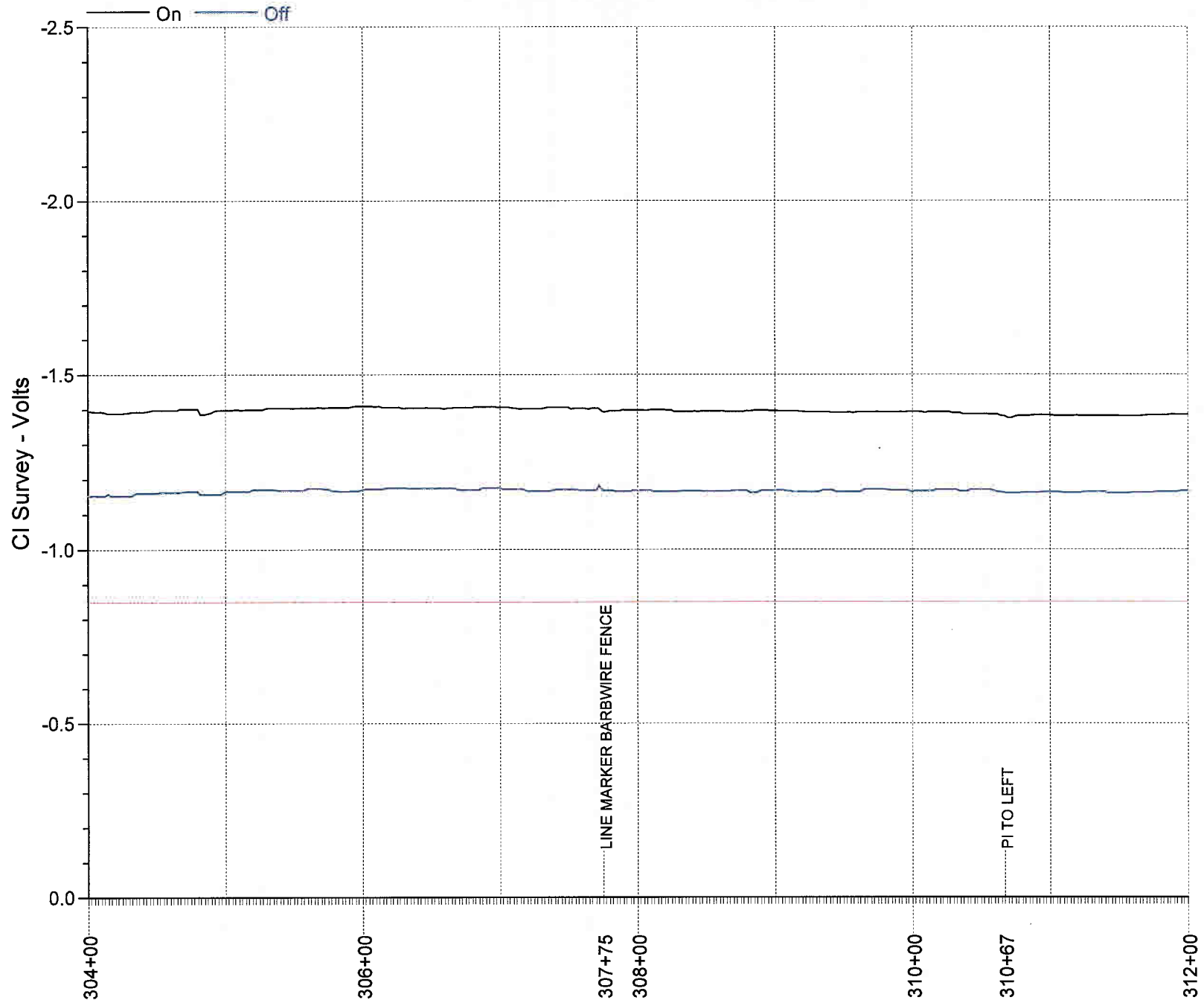
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



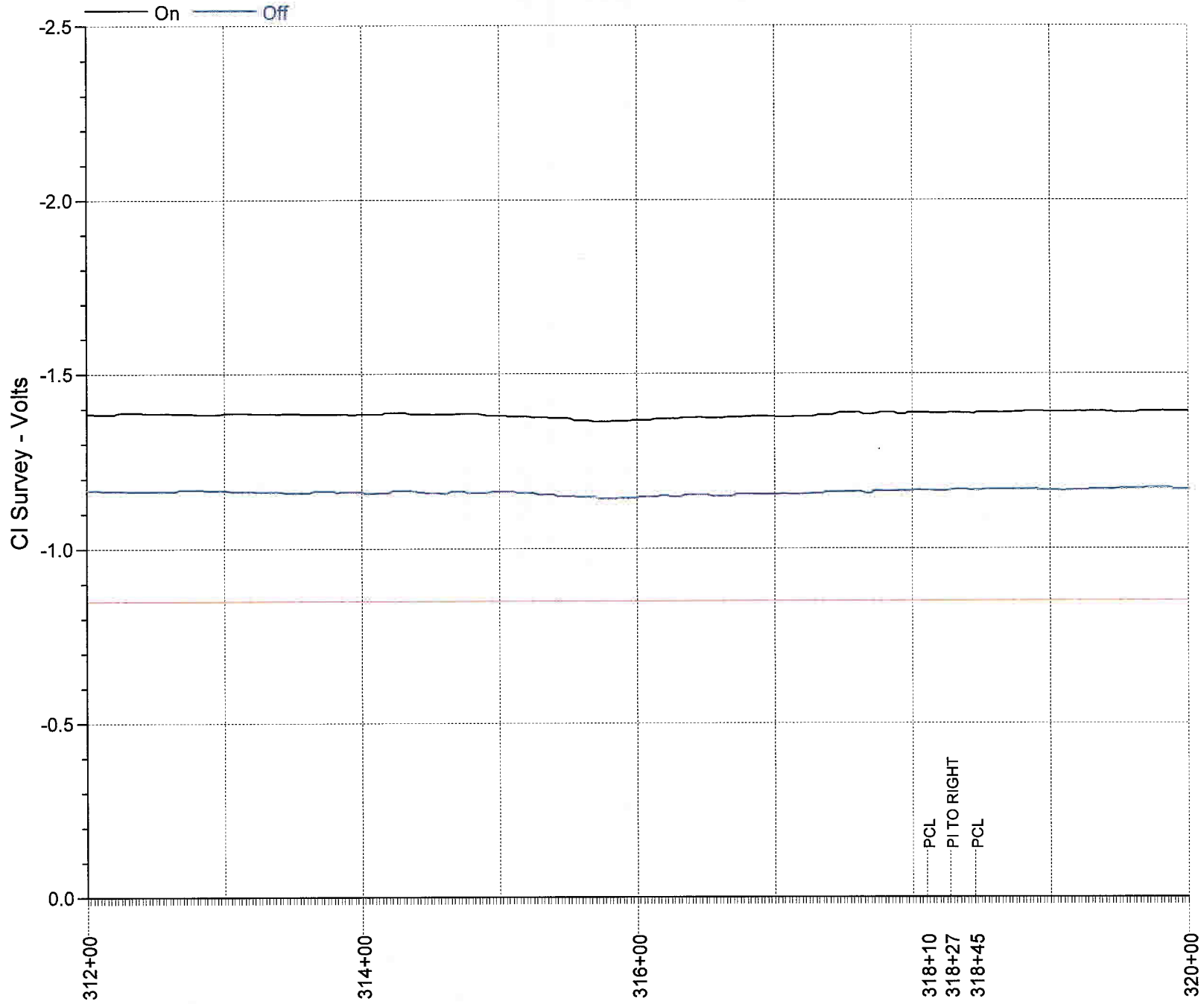
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



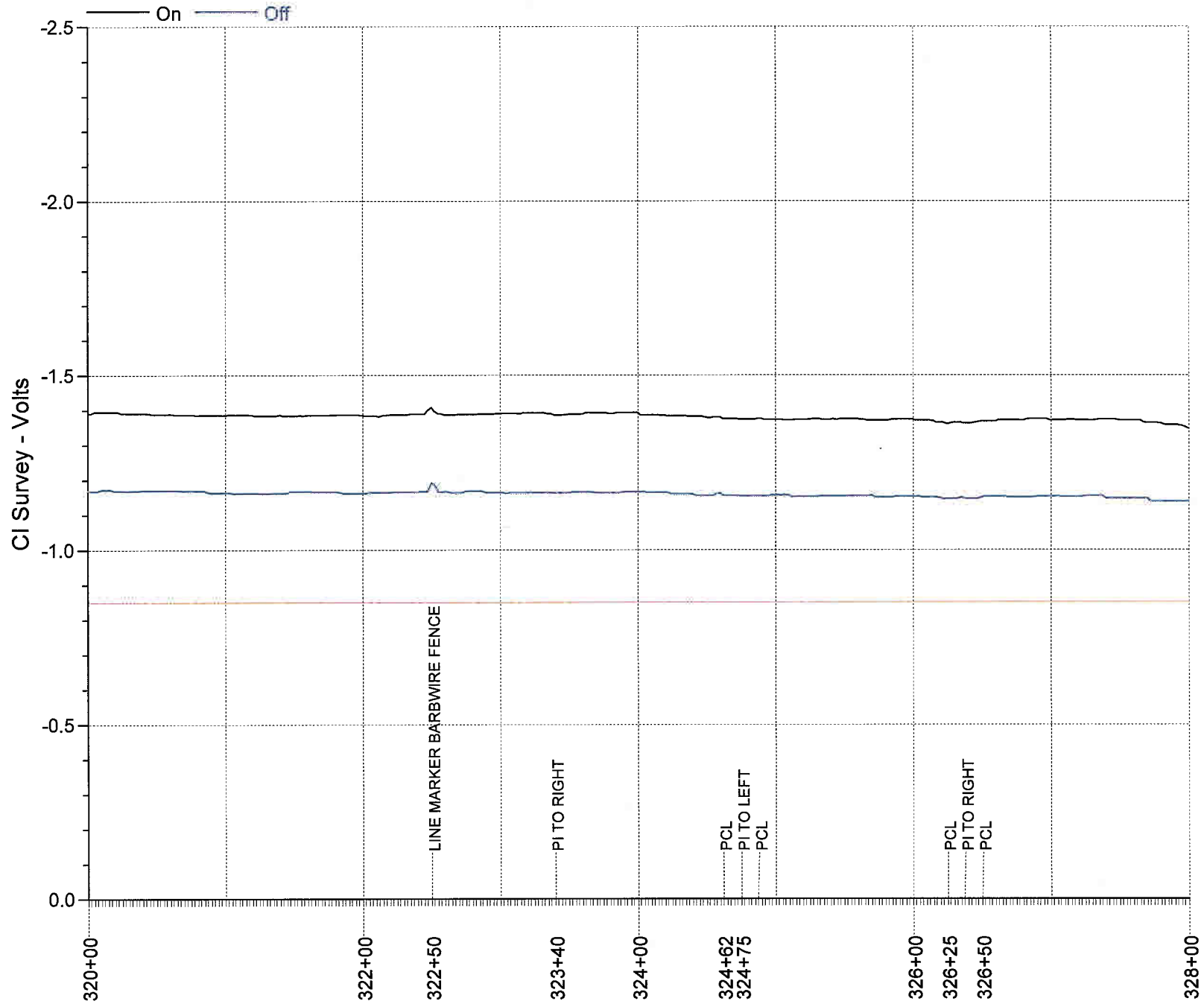
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



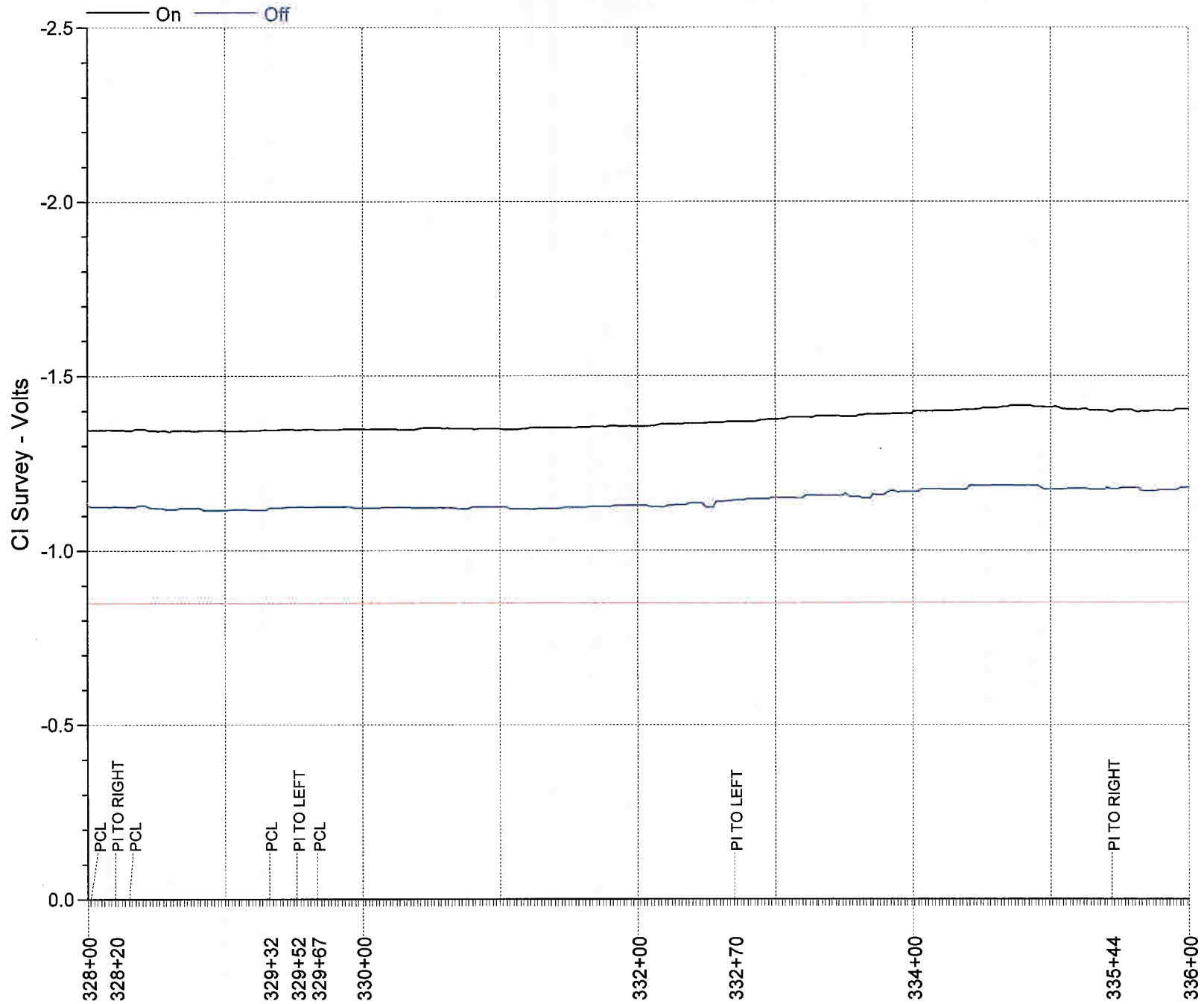
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



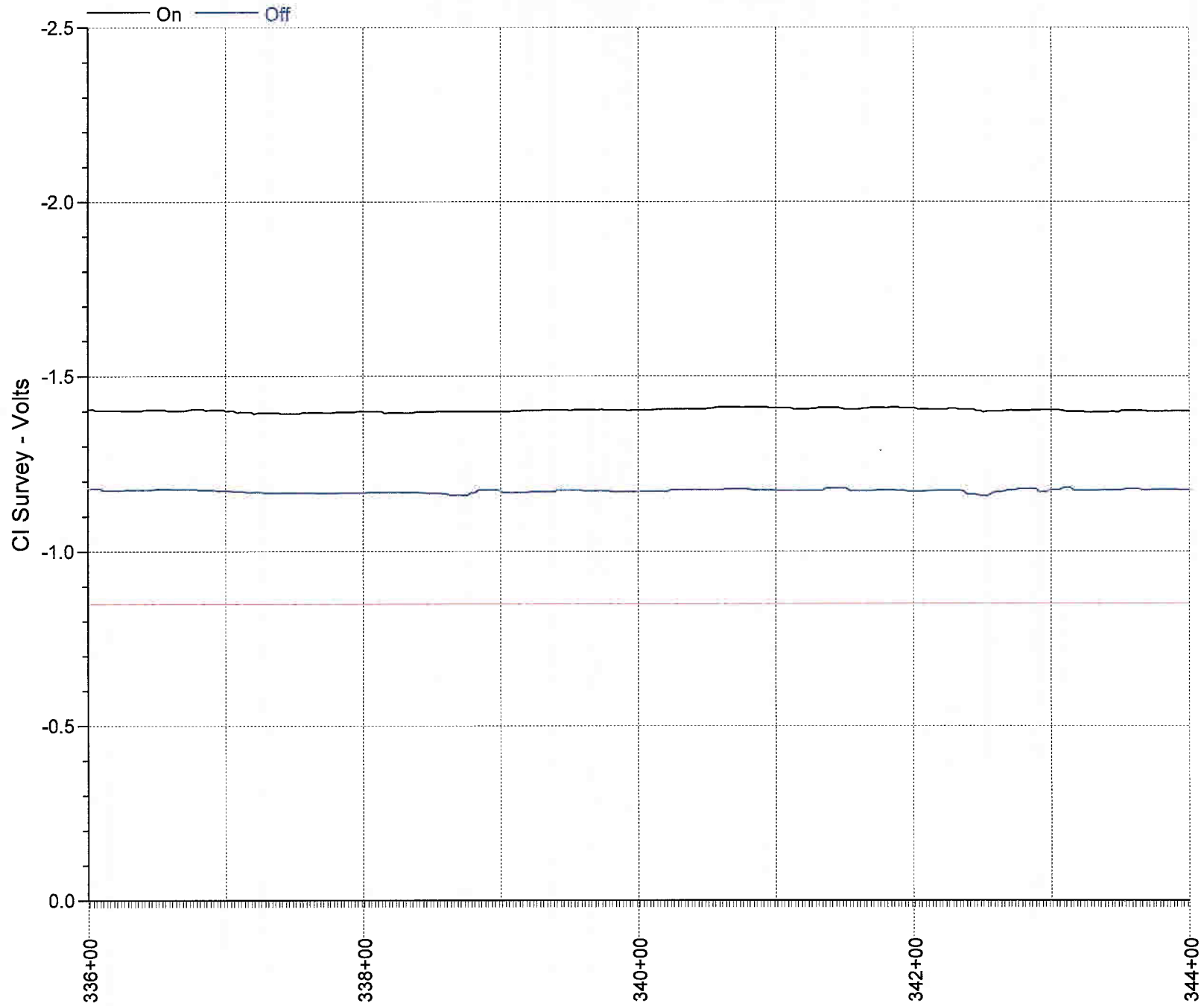
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



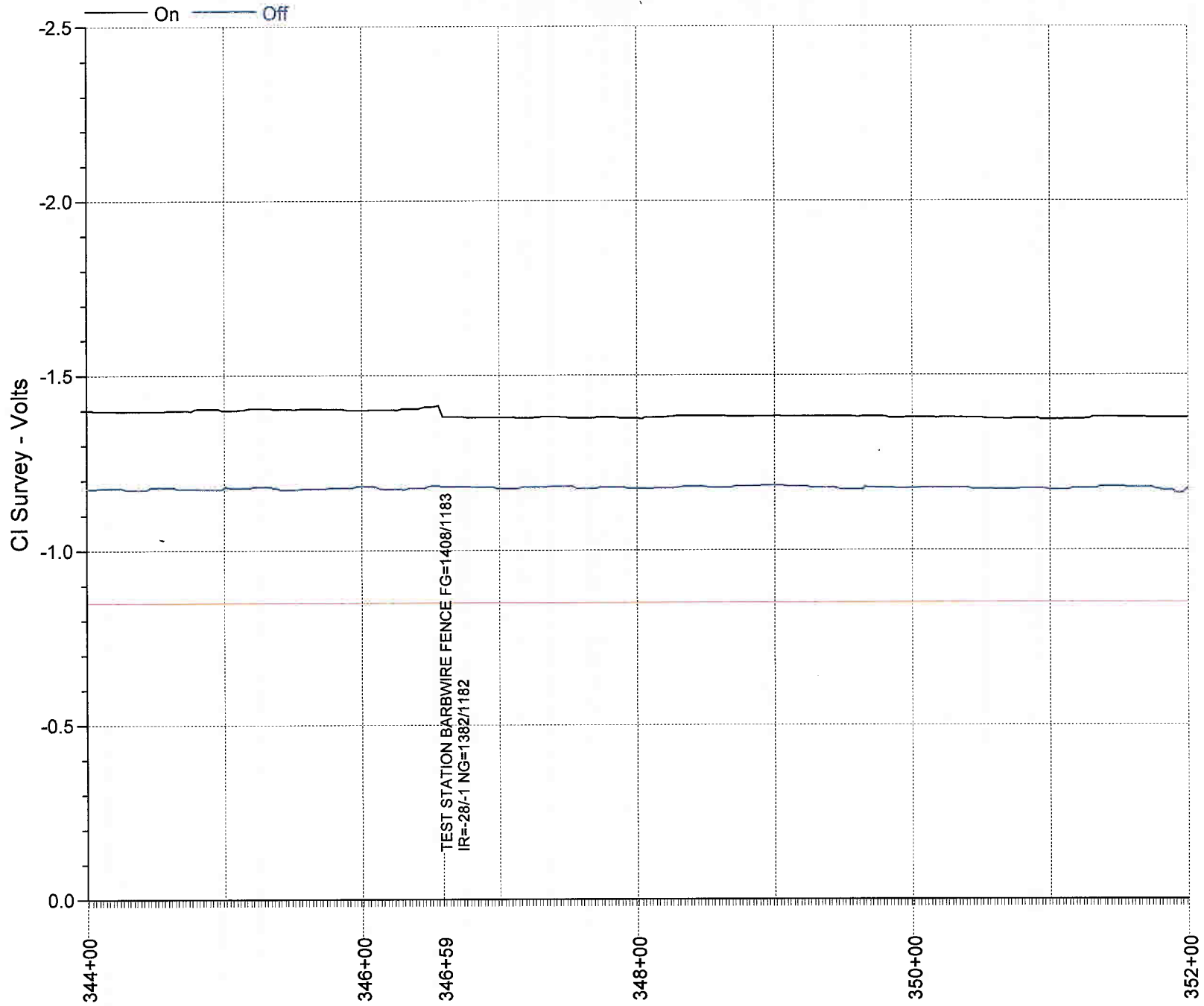
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



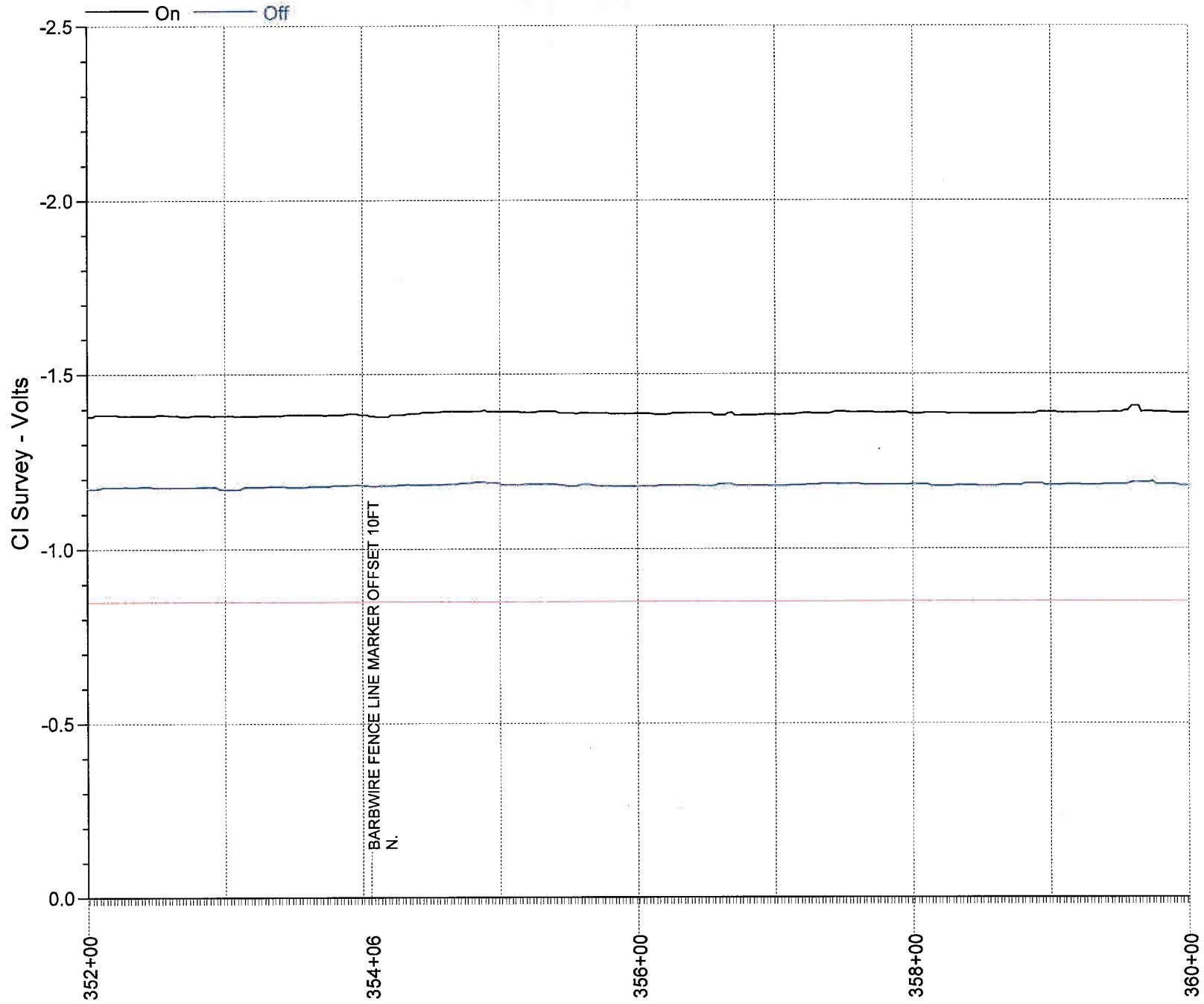
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



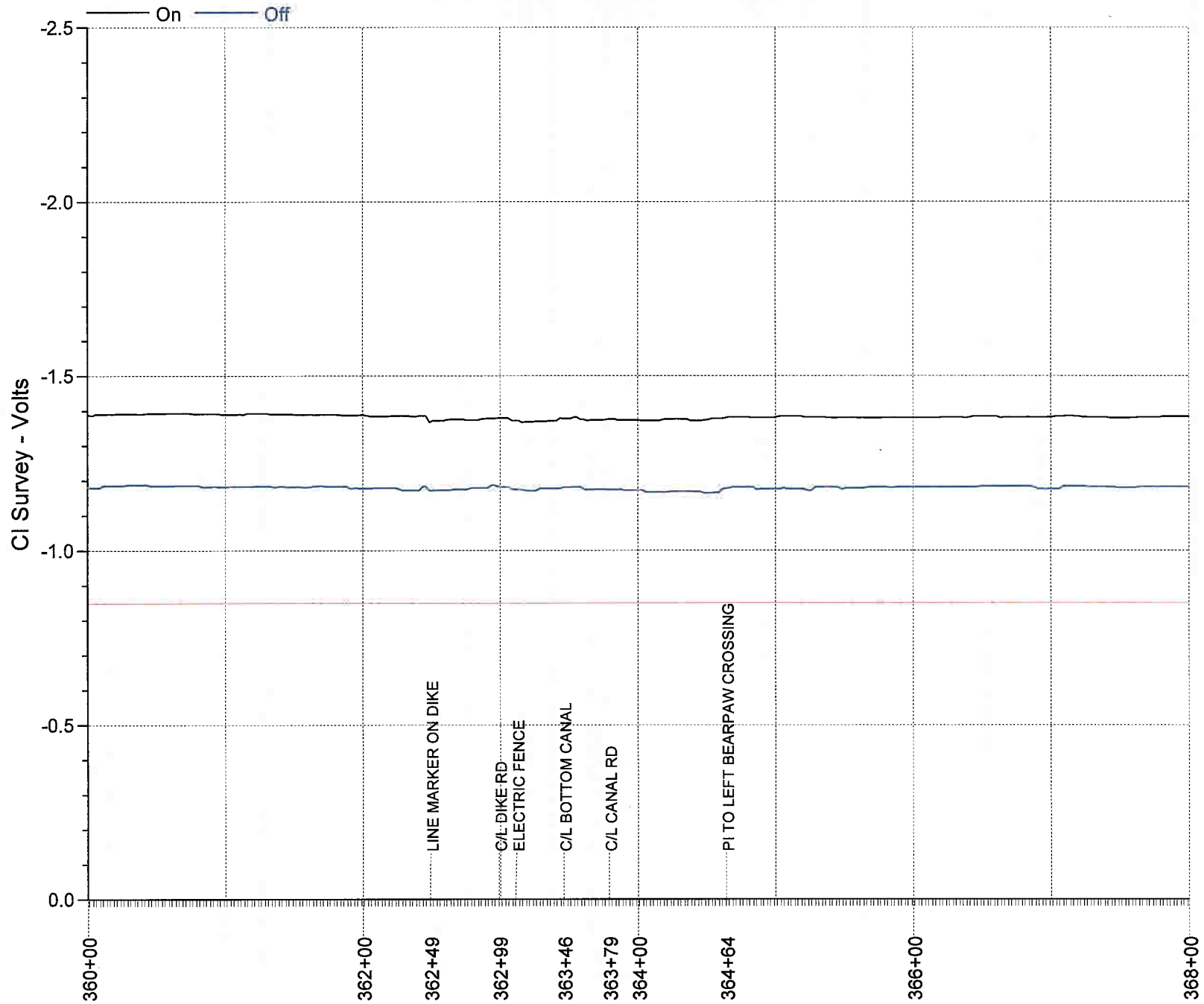
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



SemStream, LP

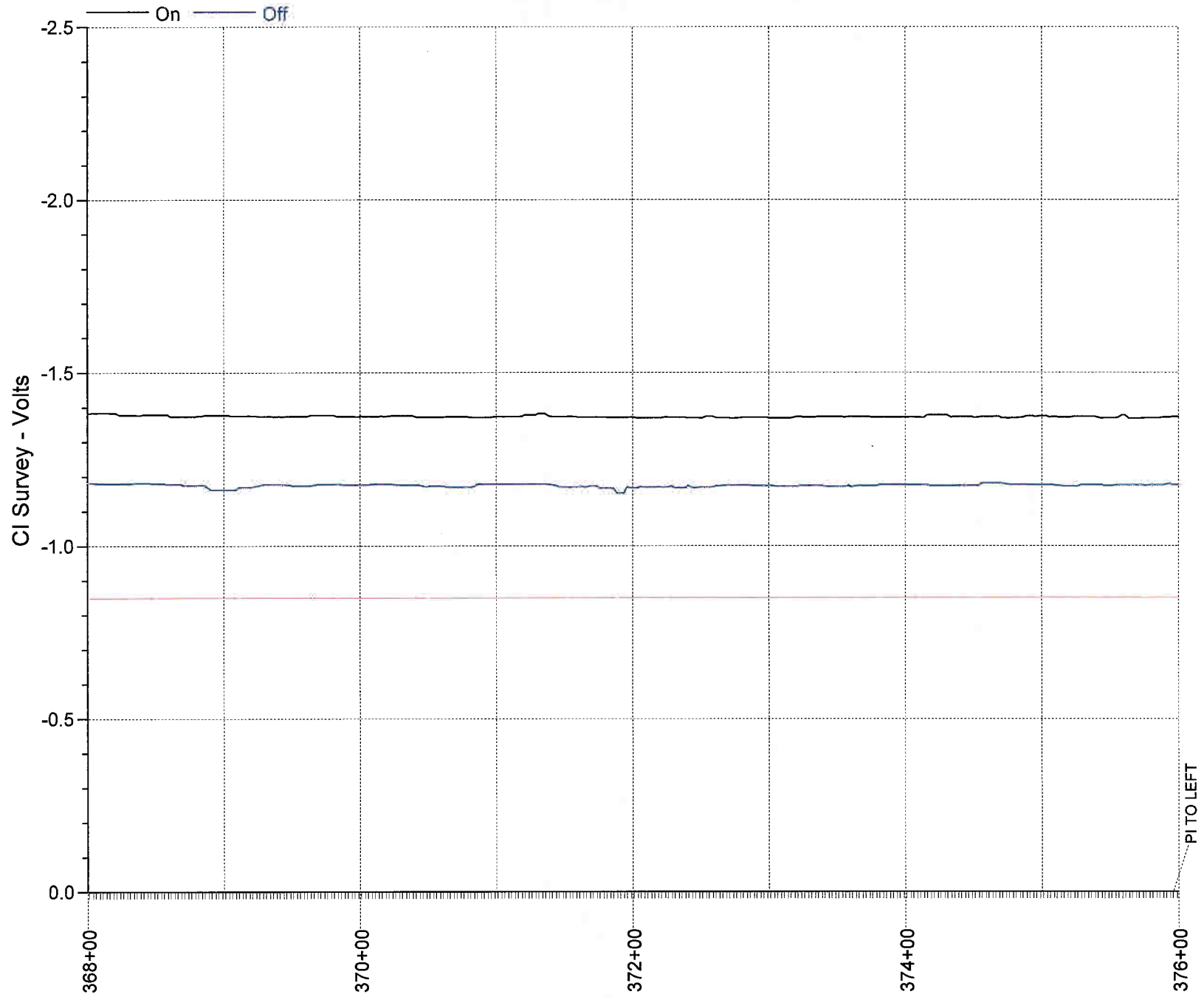
ROW: 4-INCH BAKKEN; bakken line



100 Feet/Inch

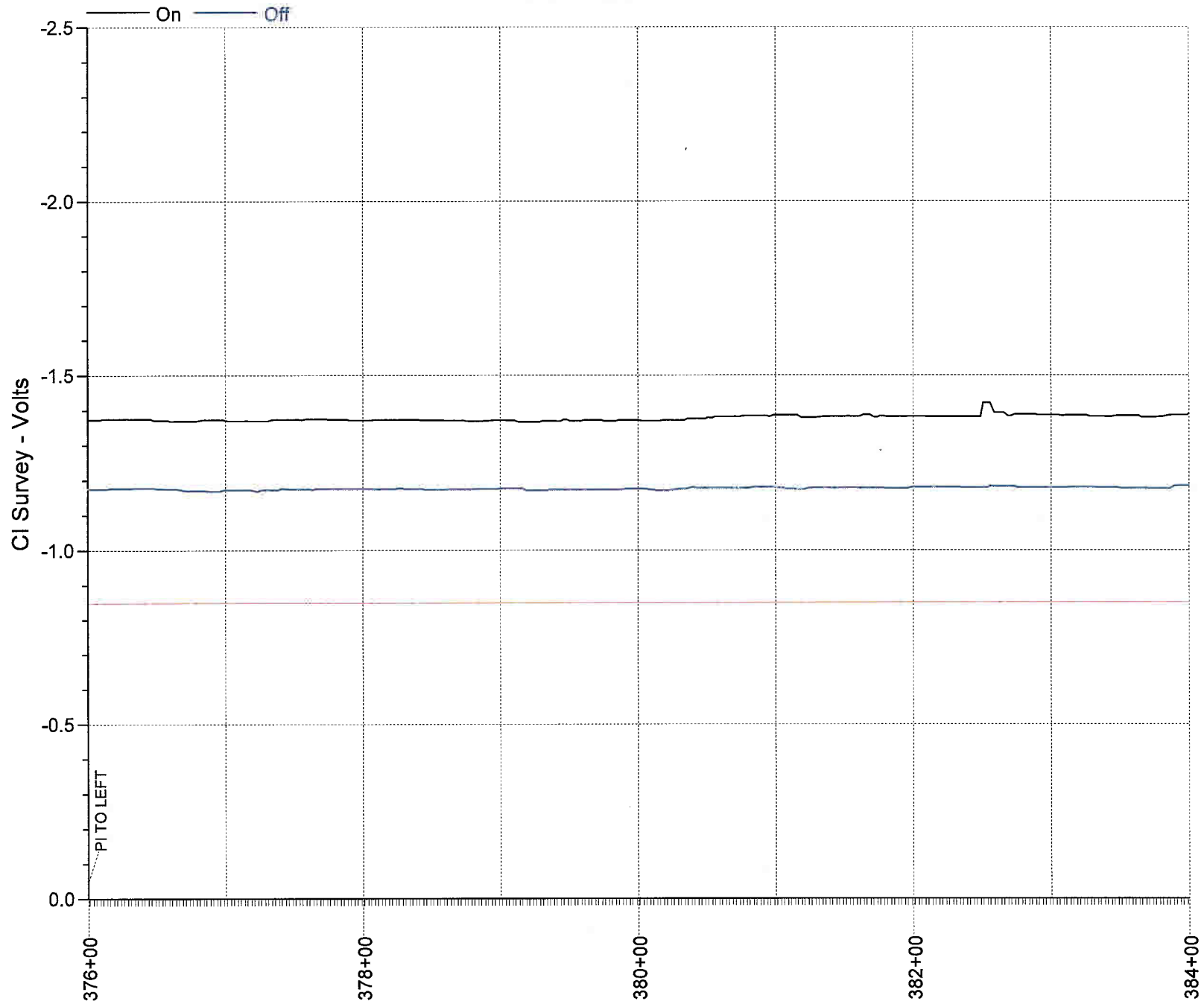
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



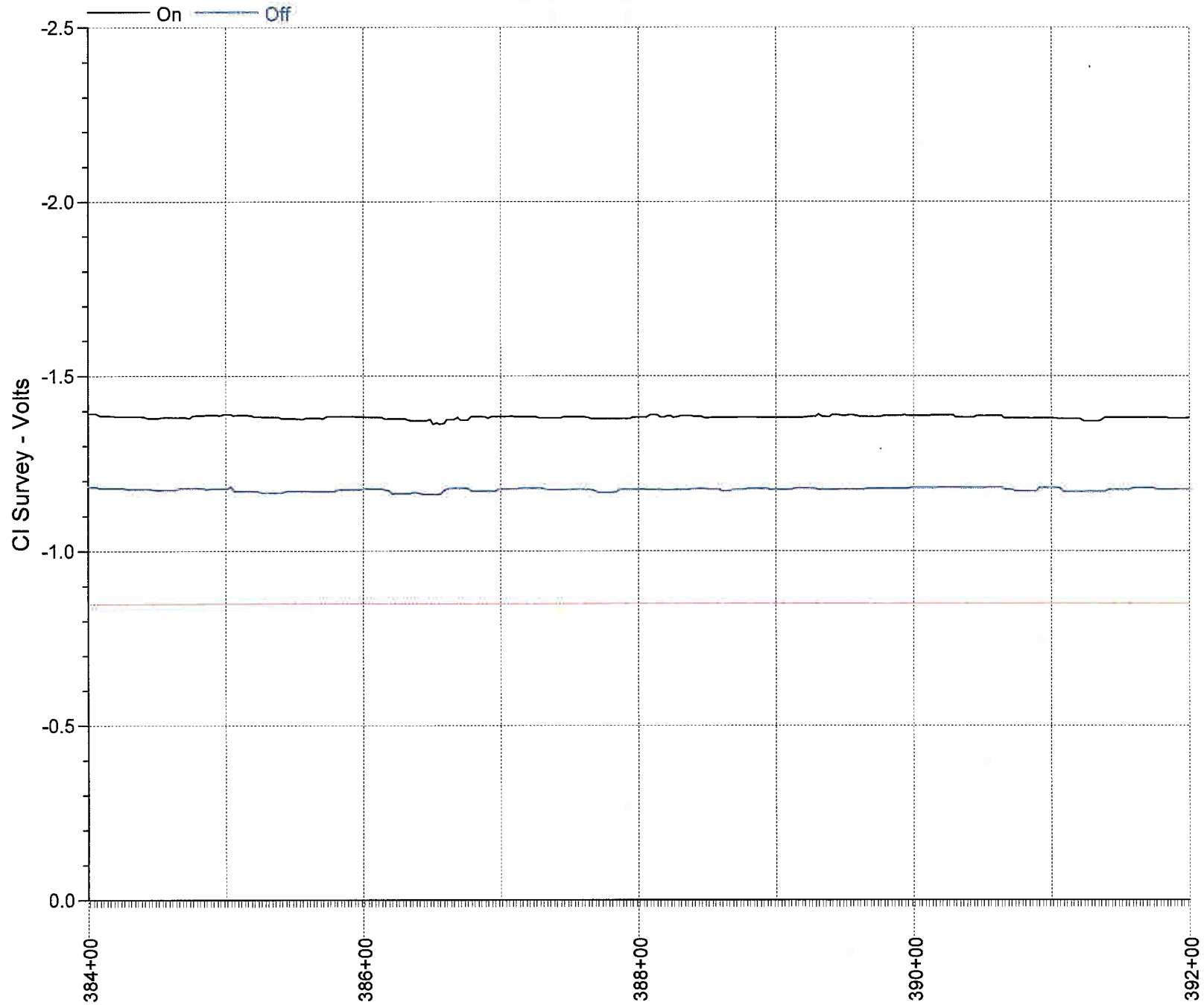
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



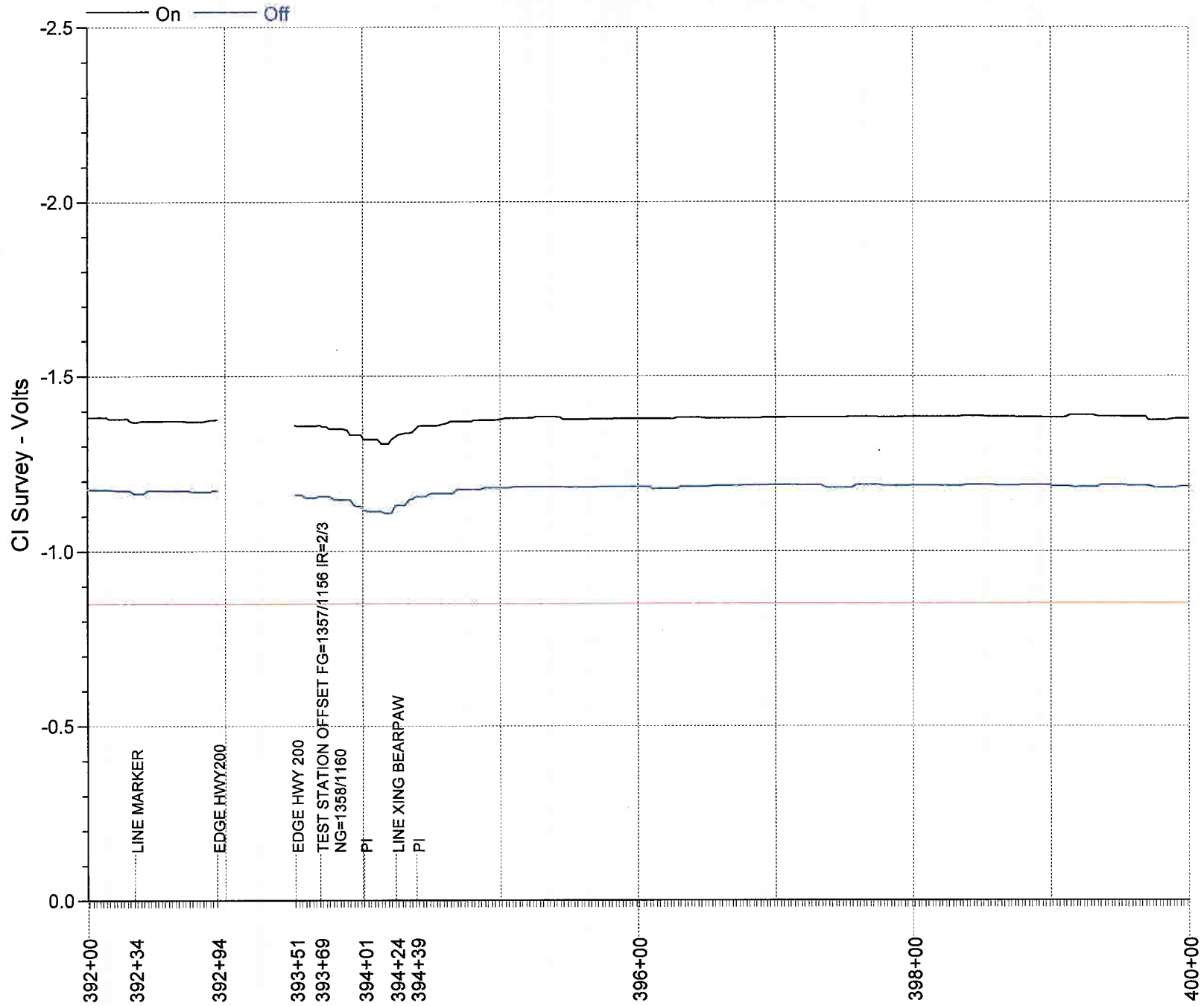
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



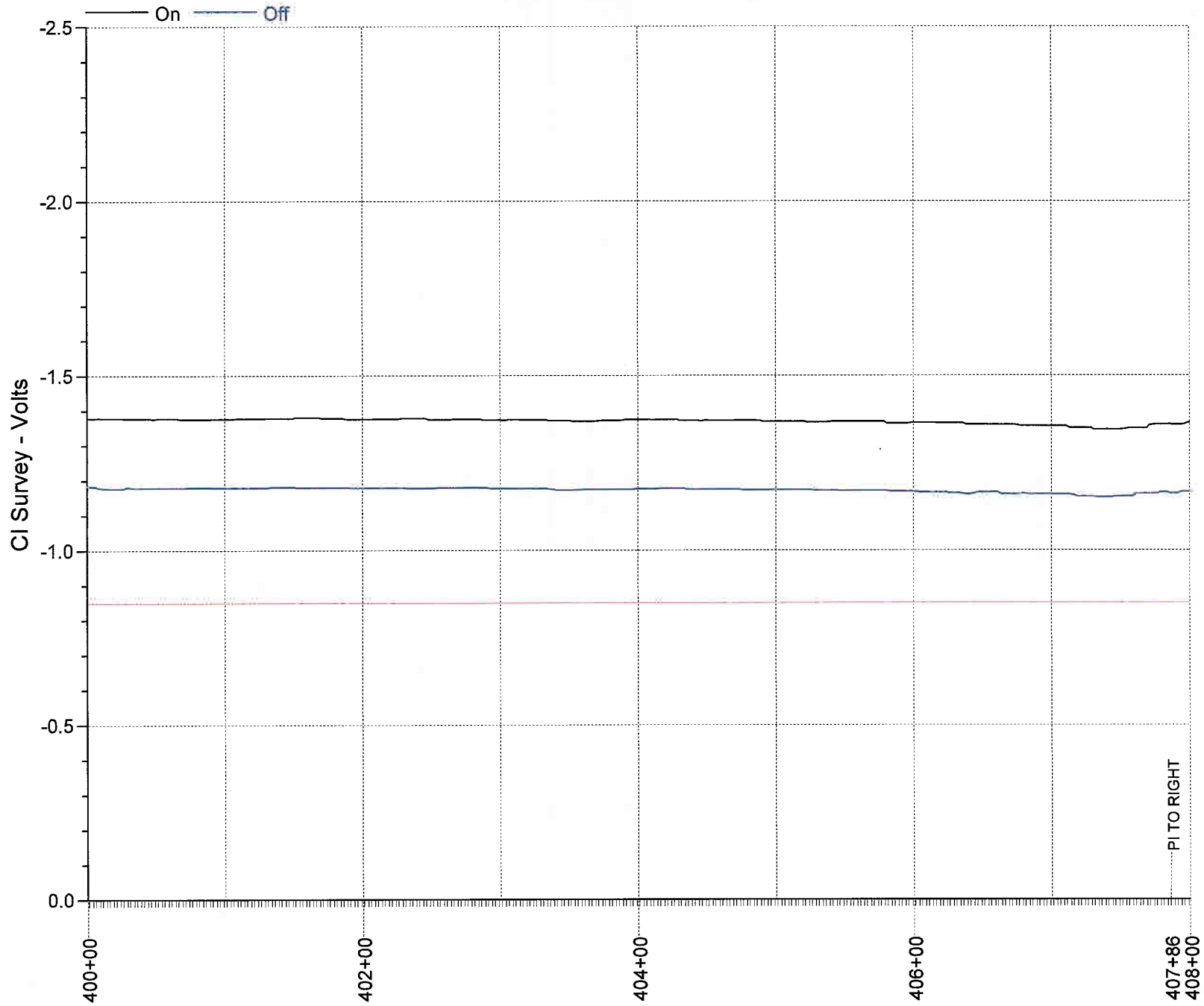
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



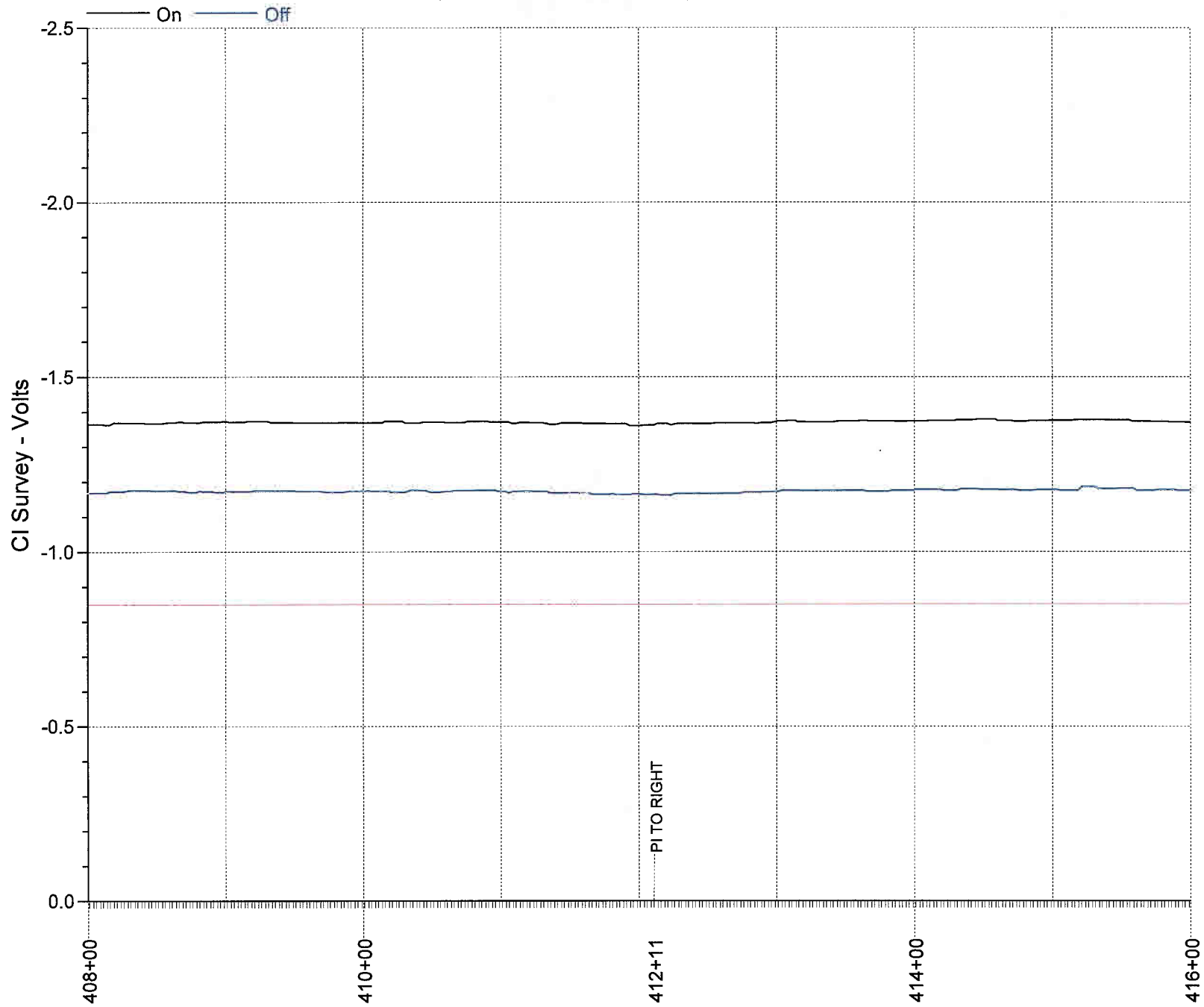
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



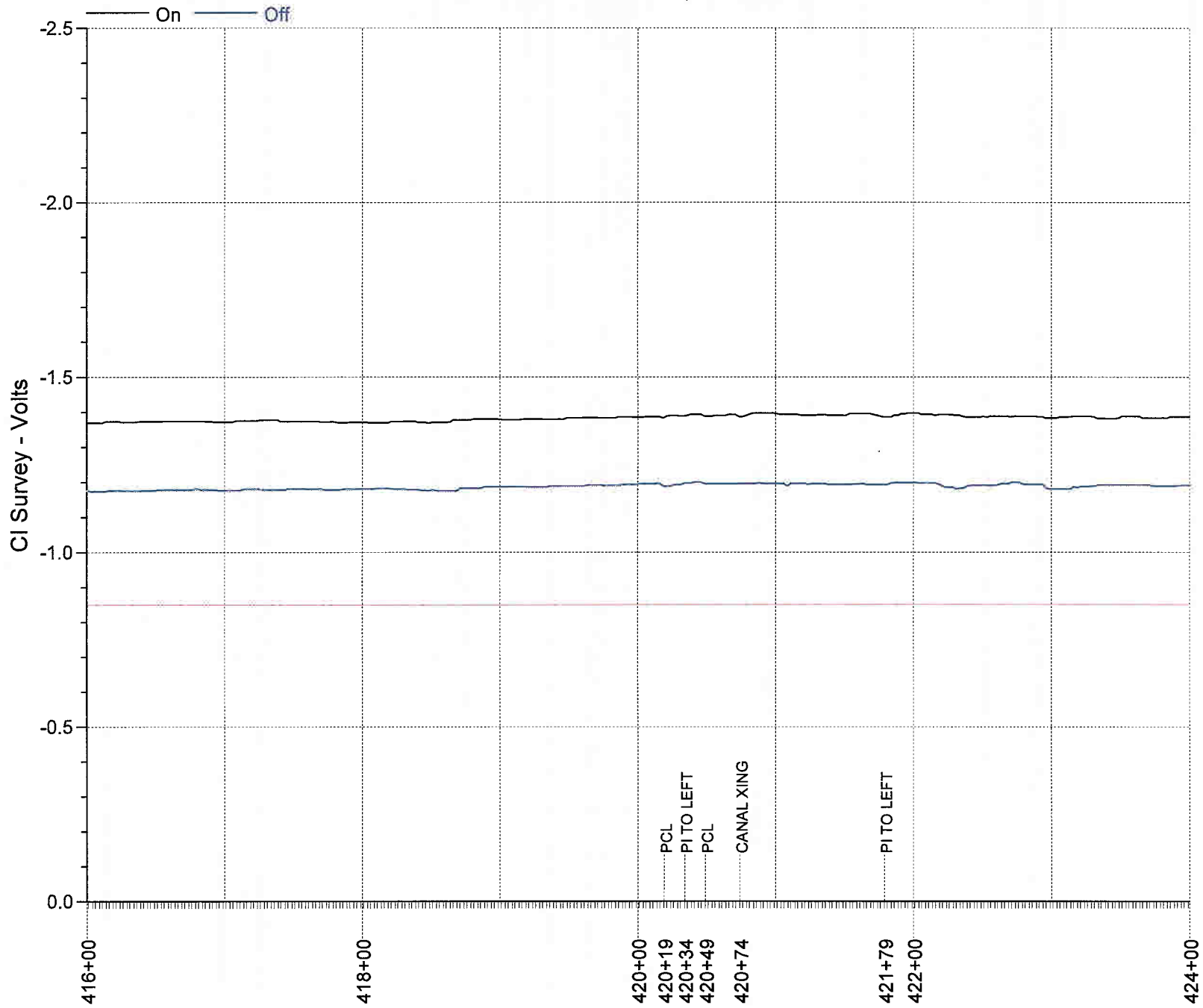
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



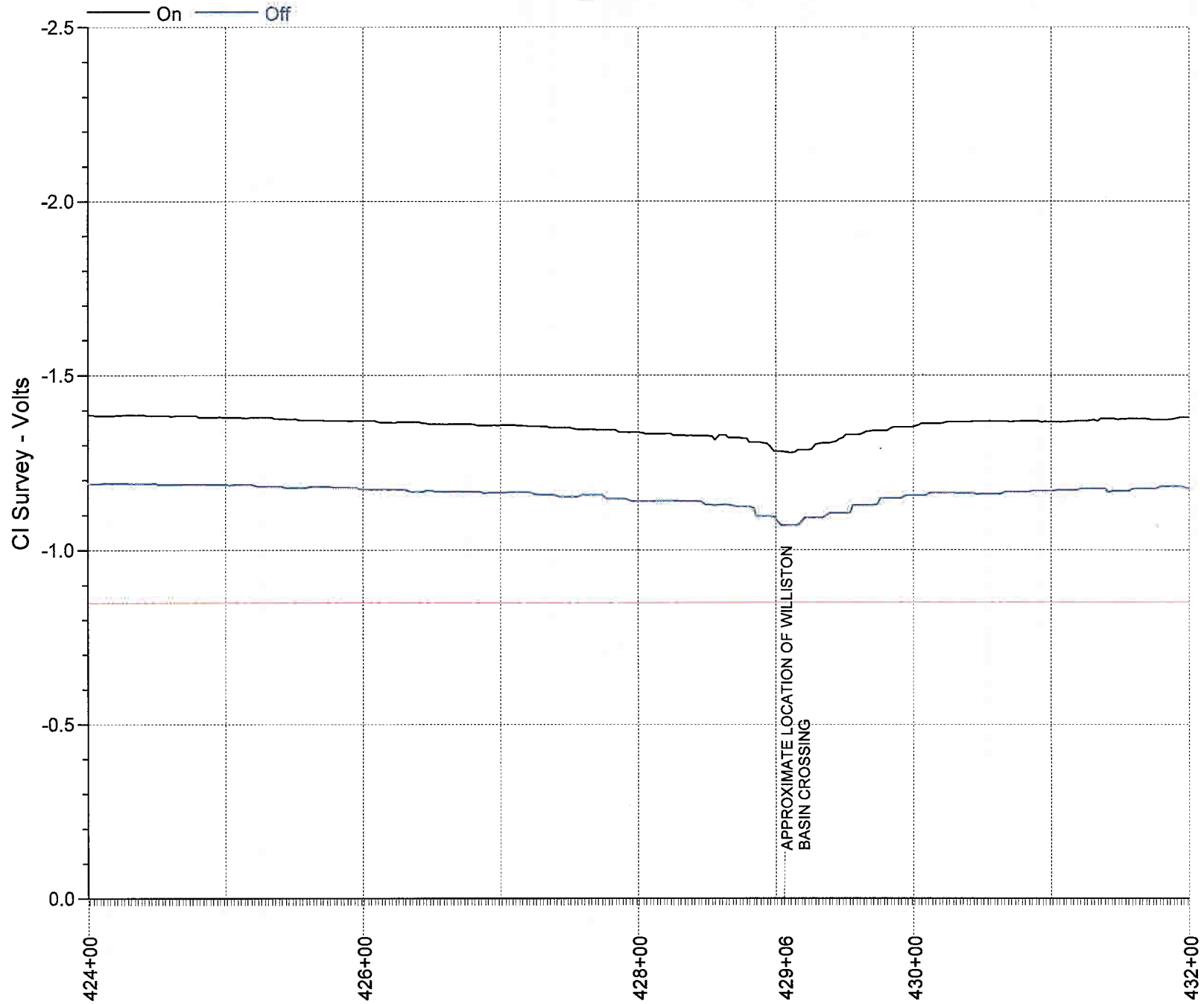
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



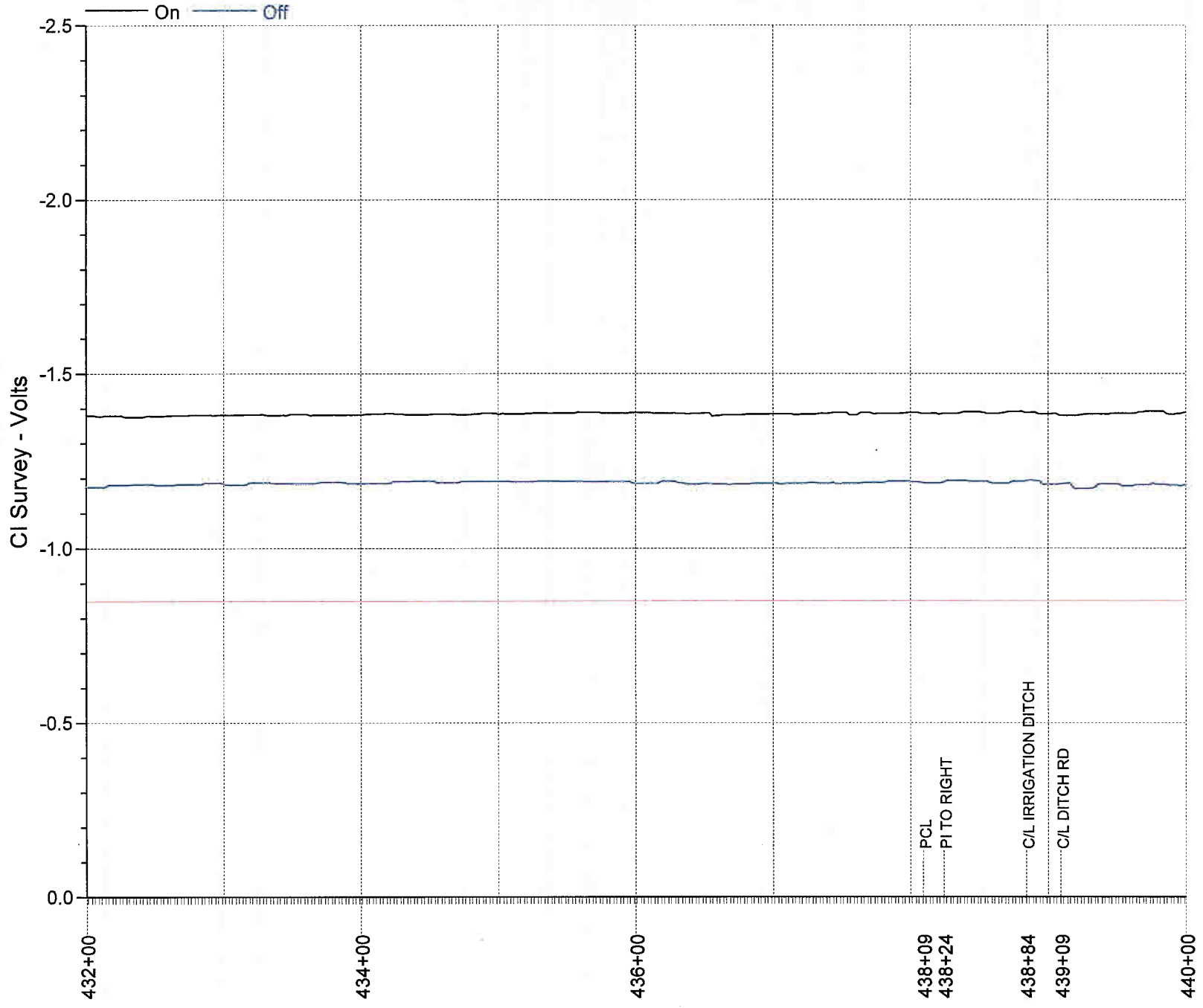
SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



SemStream, LP

ROW: 4-INCH BAKKEN; bakken line



100 Feet/Inch

SemStream, LP

ROW: 4-INCH BAKKEN; bakken line

