

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 18, 2009

Mr. Brent Backes  
General Counsel and Vice President  
DCP Midstream  
370 17<sup>th</sup> St., Suite 2500  
Denver, CO 80202

**CPF 5-2009-5027W**

Dear Mr. Backes:

On May 11 to 13, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Weld County HVL Lines in Greeley, Colorado.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

**1. § 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.**

Per § 195.410, the operator must place and maintain line markers over each buried liquid line at certain locations. During the field inspection, DCP Midstream's (DCP) R.O.W. markers were not sufficient in number along the remainder of each buried line so that its location is accurately known, such as the pipeline was difficult to follow going west along CR 38 out of the Mewborn Station.

**2. § 195.404 Maps and Records.**

**(a) Each operator shall maintain current maps and records of its pipeline systems that include at least the following information;**

**(1) Location and identification of the following pipeline facilities;**

**(i) Breakout tanks;**

**(ii) Pump stations;**

**(iii) Scraper and sphere facilities;**

**(iv) Pipeline valves;**

**(v) Facilities to which §195.402(c)(9) applies;**

**(vi) Rights-of-way; and**

**(vii) Safety devices to which §195.428 applies.**

**(2) All crossings of public roads, railroads, rivers, buried utilities, and foreign pipelines.**

**(3) The maximum operating pressure of each pipeline.**

**(4) The diameter, grade, type and nominal wall thickness of all pipe.**

Per § 195.404, DCP's maps were not maintained to reflect current information regarding the pipeline facility. During the record review, it was noted that the facility maps did not contain all of the required pipeline information such as: the maximum operating pressure of each pipeline and the diameter, grade, type and nominal wall thickness of all pipe.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result DCP Midstream being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2009-5027W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C.

552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

Chris Hoidal  
Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 J. Haddow (#123956)