

SEP 02 2011

Mr. Wilson Groen
President and CEO
Navajo Nation Oil & Gas Company, Inc.
P.O. Box 4439
Window Rock, AZ 86515

Re: CPF No. 4-2006-5029

Dear Mr. Groen:

Enclosed please find the Consent Order incorporating the terms of the Consent Agreement that you signed on August 18, 2011. Service of the Consent Order and Consent Agreement is complete upon mailing as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosures

cc: Mr. Alan Mayberry, Deputy Associate Administrator for Field Operations, Pipeline Safety
Mr. Rod Seeley, Director, Southwest Region, PHMSA
Ms. Susan A. Olenchuk, Counsel for NNOGC
Van Ness Feldman P.C., 1050 Thomas Jefferson St. NW, Washington, D.C. 20007

CERTIFIED MAIL – RETURN RECEIPT REQUESTED[7005 1160 0001 0075 9893]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590**

_____)	
In the Matter of)	
)	
Navajo Nation Oil & Gas Company, Inc.,)	CPF No. 4-2006-5029
A Federal corporation,)	
)	
Respondent.)	
_____)	

CONSENT ORDER

By letter dated March 17, 2010, pursuant to 49 U.S.C. § 60122 and 49 C.F.R. § 190.213, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), issued a Final Order to Navajo Nation Oil & Gas Company, Inc. (NNOGC or Respondent) in this matter. The Final Order determined that NNOGC committed violations of 49 C.F.R. Part 195, assessed a civil penalty of \$212,000 for the violations, and found that NNOGC had completed corrective action to remediate the violations.

On April 30, 2010, pursuant to 49 C.F.R. § 190.215, NNOGC filed a petition for reconsideration of the Final Order, requesting, in part, that PHMSA give consideration to NNOGC's status as a Federally chartered corporation under Section 17 of the Indian Reorganization Act, 25 U.S.C. § 477. By separate correspondence, NNOGC proposed to undertake specific additional safety projects in order to settle this matter.

In recognition of the unique legal and political relationship the United States has with Indian tribal governments, established through and confirmed by the Constitution of the United States, treaties, statutes, executive orders, and judicial decisions, PHMSA has engaged in good faith settlement discussions with Respondent regarding its proposal to undertake additional safety projects, resulting in the attached Consent Agreement. The Consent Agreement is hereby approved and incorporated by reference into this Order. Respondent is ordered to comply with the terms of the Consent Agreement, effective immediately. The terms and conditions of this Consent Order are effective upon receipt.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued