

**NOTICE OF PROBABLE VIOLATION  
and  
PROPOSED COMPLIANCE ORDER**

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

October 26, 2009

Mr. Wes Christensen  
Senior Vice President NGL Operations  
OneOK Partners North System, L.L.C.  
100 West 5<sup>th</sup> Street  
Tulsa, OK 74103

**CPF 3-2009-5019**

Dear Mr. Christensen:

On April 8-10, June 7-12, and July 20-23, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your records and facilities in Conway, KS, Morris, IL, and Lemont, IL.

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 violation(s) are:

**1. §195.403 Emergency response training.**

**(b) At intervals not exceeding 15 months, but at least once each calendar year, each operator shall:**

**(1) Review with personnel their performance in meeting the objectives of the emergency response training program set forth in paragraph (a) of this section;**

In the Morris area, OneOK personnel exceeded the 15 month criteria for reviewing the Emergency Manual. Review of the emergency response training records identified that the review of the site specific emergency plan for Morris exceeded the 15 month criteria. The review dates noted were 1/31/2007 and 11/18/2008.

**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.**

OneOK personnel did not map foreign line crossings that were installed over a year ago. As of the inspection date, the crossings were still not mapped. Also, in the Conway area, it was noted that a new bypass line put in at the Halstead station was not updated on the station drawings.

Review of OneOK's Inspection and Investigation (I&I) reports noted that there were several line crossings in all three units that were not updated on the Company's alignment sheet. Additionally, during the field inspection of the Halstead station, it was noted that a new bypass was put in. Review of the drawings for the station found that this section had not been updated on the drawings. The new bypass was installed over a year ago. Your personnel indicated that the acquisition of the North System assets by OneOK played a role in the backlog of updates.

**3. §195.412 Inspection of rights-of-way and crossings under navigable waters.**

**(a) Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying or other appropriate means of traversing the right-of-way.**

OneOK did not adequately patrol areas of their ROW due to high growth of trees and brush. Aerial patrol is what is utilized to meet this requirement, however, in these areas, no other form of patrol was done.

During the field inspection, it was noted that on Line 105, at approximately MP 554 or 555, there was approximately 300 to 400 feet of trees that covered the ROW. Additionally, on the 106W line, there were two areas where the ROW was not clear of trees and brush. Those areas were noted at Smith Rd. near Wayne Station and the second was at Batavia Rd. Although these areas are relatively short sections, they still need to be addressed when aerial patrol is the only method utilized for patrolling.

#### **4. §195.420 Valve maintenance.**

**(b) Each operator shall, at intervals not exceeding 7½ months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly.**

OneOK personnel exceeded the allowable 7 ½ month inspection interval on several emergency valves in the Lemont area. On the 106 line in Lemont, there were nine (9) valves that exceeded the allowable 7 ½ month inspection cycle. The time frame noted was 8/9/07 for one inspection and 4/3/08 for the following inspection.

Also, in the Morris area, on Line 316, it was found that Valve 1 and 1A were not operated during the 4/22/08 inspection because the line was in operation. Valve 1A was not operated during the 10/2/08 inspection because the line was in operation. The technician did not schedule a time or go back at a later date to operate the valve(s) when the line was down.

#### Proposed Compliance Order

With respect to item three (3) pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to OneOK Partners North System LLC. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

#### Warning Items

With respect to item(s) one (1), two (2) and four (4), 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 promptly correct these item(s). Be advised that failure to do so may result in OneOK Partners North System LLC being subject to additional enforcement action.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 3-2009-5019** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Ivan A. Huntoon  
Director, Central Region  
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*  
*Response Options for Pipeline Operators in Compliance Proceedings*

## **PROPOSED COMPLIANCE ORDER**

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to OneOK Partners North System LLC a Compliance Order incorporating the following remedial requirements to ensure the compliance of OneOK Partners North System LLC with the pipeline safety regulations:

1. Pertaining to inspection of the surface conditions on or adjacent to the pipeline right-of-way, provide to Ivan A. Huntoon, Director, Central Region, Pipeline and Hazardous Materials Safety Administration, 901 Locust Street, Room 462, Kansas City, MO 64106 a plan and schedule of action for clearing the right-of-way where aerial patrolling will be utilized.
2. The plan must identify sections of pipeline right-of-way throughout the system that are overgrown and will remain overgrown for a period of time while awaiting clearing. For these sections, OneOK must provide an alternate means to aerial patrolling in order to comply with inspection of the surface conditions on or adjacent to the pipeline right-of-way as required by §195.412.
3. Provide the plan and action schedule within 30 days from the date of receipt of the Final Order.
4. Implement the plan and schedule required by items 1 and 2, above, within 60 days from the date of receipt of the Final Order.
5. OneOK shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Ivan A. Huntoon, Director, Central Region, Pipeline and Hazardous Materials Safety Administration, 901 Locust Street, Room 462, Kansas City, MO 64106. Costs shall be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total costs associated with replacements, additions and other changes to pipeline infrastructure.