

August 25, 2011

Mr. David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106-2641

Re: CPF 3-2011-6002M

Dear Mr. Barrett:

On July 28, 2011, Murphy Oil USA received a Notice of Amendment from the Pipeline and Hazardous Materials Administration resulting from inspections performed on May 18-21 and June 2-5, 2010. Murphy has elected not to contest the Notice. Details of Murphy's response to each item in the Notice are provided below.

- Item 1. In response to the Notice, Murphy has updated section F.1 of the Pipeline Operation and Maintenance Manual (O&M) and section 1.2 of the Emergency Response Plan (ERP) to include the ERP, Recommended Practices, and ancillary procedures into the annual review of the O&M.
- Item 2. In response to the Notice, Murphy has updated section F.3.1 of the O&M to address the required information.
- Item 3. In response to the Notice, Murphy has added a section F.6 Communications to the O&M to address the regulatory requirements. Please note that this change affected the paragraph numbering within section F; references in the NOA to specific O&M sections may no longer be accurate.
- Item 4. In response to the Notice, Murphy has added language to Section F.10 of the O&M to address the regulatory requirements.
- Item 5. In response to the Notice, Murphy has added language to Section F.11 of the O&M to address the regulatory requirement.

- Item 6. In response to the Notice, Murphy has added language to Section F.14 of the O&M to address the regulatory requirement.
- Item 7. In response to the Notice, Murphy has added language to Section I.3 of the O&M requiring development of a list of company-approved coatings. With regard to the specific instance mentioned in item 7, Murphy has added language to Section I.3 of the O&M requiring individuals who apply coating to be qualified for the task and to adhere to the manufacturer's installation recommendations.
- Item 8. In response to the Notice, Murphy has added language to Section I.10 of the O&M to address the regulatory requirements.
- Item 9. In response to the Notice, Murphy has added language to Section I.11 of the O&M to provide additional detail on electrical isolation methods.
- Item 10. In response to the Notice, Murphy has added an item under Section I.17.3 of the O&M to establish the required retention schedule.
- Item 11. In response to the Notice, Murphy has revised its Operator Qualification program to require observation of work as an evaluation method for applicable covered tasks. Sections F.1 and H.6 of the O&M have been updated to reflect this change. The updated O&M is enclosed with this letter.
- Item 12. In response to the Notice, Murphy has added an initial response action to shut down the pipeline in Section 3 of the ERP and has updated the Receptionist's responsibilities in Section 5 of the ERP.
- Item 13. In response to the Notice, Murphy has added language to Section F.2 of the O&M to specify that emergency response training is to be conducted as part of annual 8-hour HAZWOPER refresher training.
- Item 14. In response to the Notice, Murphy has added language to the table in Section G.2 of the O&M such that communications to stakeholders are now required to address leak recognition.
- Item 15. In response to the Notice, Murphy has expanded Section G.5 of the O&M to address the regulatory requirements and provide additional detail on program execution.

The revised Pipeline Operations and Maintenance Manual (both a markup showing the revisions and the final) and revised sections of our Emergency Response Plan on a CD as .pdf files are enclosed with this letter.

Please be aware that Murphy Oil recently reached an agreement to sell the Superior Refinery and associated pipeline. The transaction is scheduled to close near October 1, 2011. To ensure

Mr. David Barrett
August 25, 2011
Page 3

that any correspondence receives immediate attention, I would request that you send a copy to me here in Superior in addition to our corporate office in El Dorado, Arkansas.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Podratz", with a long horizontal flourish extending to the right.

David J. Podratz
Refinery Manager

Cc: Steve Hunkus, El Dorado

Enclosures: *Revised Pipeline Operation and Maintenance Manual (final)*
Revised Pipeline Operation and Maintenance Manual (showing markups)
Revised Emergency Response Plan Pages