



U S Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Ave S E  
Washington DC 20590

APR 18 2008

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Mr. David L. Stover  
Senior Vice President  
Noble Energy, Inc.  
100 Glenborough, Suite 100  
Houston, TX 77067-3618

**Re: CPF No. 4-2006-7003**

Dear Mr Stover:

Enclosed is the Final Order issued in the above-referenced case. It makes findings of violation and assesses a civil penalty. I acknowledge receipt of and accept your wire transfer for \$48,000 as payment in full of the civil penalty assessed in the Final Order. The Final Order also acknowledges your completion of the proposed compliance order items to comply with the pipeline safety regulations. Therefore, this case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C F.R. § 190.5

Thank you for your cooperation in this matter

Sincerely,

<sup>for</sup>  
Jeffrey D Wiese  
Associate Administrator  
for Pipeline Safety

Enclosure

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

In the Matter of	)	
	)	
Noble Energy, Inc.,	)	CPF No. 4-2006-7003
	)	
Respondent	)	
	)	

**FINAL ORDER**

On April 20-21, 2005, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration’s Office of Pipeline Safety (OPS) and the Railroad Commission of Texas conducted an on-site pipeline safety inspection of Respondent’s operator qualification program in Houston, Texas. Respondent operates an offshore crude oil pipeline in the Gulf of Mexico and Louisiana. As a result of the inspection, the Director, Southwest Region, OPS, issued to Respondent, by letter dated August 8, 2006, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent committed violations of 49 C.F.R. Part 195 and proposed assessing a civil penalty of \$48,000 for the alleged violations. The Notice also proposed ordering Respondent to take certain measures to correct the alleged violations.

On September 11, 2006, Respondent submitted a wire transfer in the amount of the proposed civil penalty (\$48,000), thereby waiving any further right to respond and authorizing the entry of this Final Order. By correspondence dated February 15 and June 4, 2007, Respondent submitted documentation concerning the corrective actions it had taken.

**FINDINGS OF VIOLATION**

Pursuant to 49 U.S.C. § 60122 and 49 C.F.R. §§ 190.209(a)(1) and 190.213, I find that Respondent violated 49 C.F.R. Part 195, as follows:

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 505(b), which states:

**§ 195.505 – Qualification program.**

Each operator shall have and follow a written qualification program. The program shall include provisions to . . .

(b) Ensure through evaluation that individuals performing covered tasks are qualified . . . .

I find that Respondent violated § 195.505(b) in three respects: First, Respondent's qualification program failed to set forth the evaluation methods and criteria for determining if an individual were qualified. Second, the program failed to identify each abnormal operating condition associated with the covered tasks performed on Respondent's pipeline system. Finally, Respondent permitted individuals who were not properly qualified to perform covered tasks on its system. Accordingly, I find that Respondent violated § 195.505(b) by failing to have and follow a written qualification program that included provisions to ensure through evaluation that individuals performing covered tasks were qualified.

**Item 2:** The Notice alleged that Respondent violated 49 C.F.R. § 195.509(a), which states.

**§ 195.509 – General.**

(a) Operators must have a written qualification program by April 27, 2001 . . .

Respondent could not demonstrate that it had a written qualification program by April 27, 2001. Evidence gathered during the inspection indicated that around the time of the deadline, Respondent had a document that resembled a proposal rather than a final qualification program. The document was not dated, consisted of only eight pages, and was titled "Written Plan Introduction," all which implied that more detail would be provided at a later date. In addition, the document was written in the future tense. For example, the document stated that "Noble Energy will use several methods to evaluate our employees who perform a covered task" but the document did not set forth the actual methods to be used. Accordingly, I find Respondent violated § 195.509(a) by failing to have a written qualification program by April 27, 2001.

These findings of violation will be considered prior offenses in any subsequent enforcement action against Respondent. Having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$48,000, which has already been paid by Respondent.

The Notice proposed a compliance order with respect to Items 1 and 2 in the Notice for violations of §§ 195.505(b) and 195.509(a), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquid by pipeline or who owns or operates a hazardous liquid pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director, Southwest Region, OPS, has reviewed the corrective actions taken by Respondent, and based upon such review, has indicated that Respondent has achieved compliance with respect to these violations. Accordingly, since compliance has been achieved, it is not necessary to order corrective actions. The terms and conditions of this Final Order shall be effective upon receipt.

*William H. Wiese*  
for

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Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

**APR 18 2008**

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Date Issued