



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 8, 2015

Mr. Norm Szydlowski
President
Rose Rock Midstream L.P.
3030 NW Expressway, Suite 1100
Oklahoma City, Ok 73112

CPF 4-2015-5028W

Dear Mr. Szydlowski:

On July 28-29, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Isabel to Alva pipeline project in Alva, Oklahoma.

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. §195.202 Compliance with specifications or standards.

Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

Rose Rock Midstream failed to follow their written construction specification, Coating Specifications Construction Addendum, April 25, 2014 as noted below:

Rose Rock's Coating Specification, Section 7.6.2 states:

"All coating must be mixed and applied in strict accordance with Manufacturer's written instruction. Such written instruction shall be available at the construction site and is included in the specification by this reference."

During PHMSA's observation of the coating application, the manufacturer's recommendation for mixing, thinning, handling and application of coating material was not available at the construction site as required by Rose Rock's coating specification. As a result, PHMSA had no means to determine if the contractor was following the recommended manufacturer's procedure for field joint coating application.

Rose Rock Midstream's Coating Specification, Section 7.7.1 states:

"The surface to be coated shall be free from moisture, dust, dirt, oil, grease, weld splatter, slag or other contaminants which might interfere with the coating or adhesion of the coating to the metal or adjacent coating."

At the time of the inspection, the field joint surface preparation did not meet the requirements of the operator's written specification. On July 28, 2015, visual inspection by PHMSA revealed slag residue in crevices between the weld-cap and adjoining pipe at three locations after the joint surface had been sand blasted in preparation for the coating application.

Rose Rock Midstream's Coating Specification, Section 7.8.2.4 states:

"The compressed air for blasting shall be free of water and oil. Adequate separators and traps shall be provided and maintained during blasting operations. Blast equipment and compressors shall be inspected and information recorded by COMPANY inspector at least three (beginning, middle and end of shift) times per 8 hour shift to ensure the system is remaining free of water, oil and other contaminants."

At the time of PHMSA's inspection, the operator did not perform the equipment inspection as required by Rose Rock's specification. In addition, no documents/records existed to substantiate that the blasting equipment had been inspected before the coating was applied.

Rose Rock's Midstream's Coating Specification, Section 7.10.6.2 states:

"Temperature of the environment is critical to proper application process. Coating manufacturer's recommendation for cure times and application must be followed to ensure proper application. The surface temperature of the pipe immediately prior to coating application shall be monitored and controlled within the limits recommended by the coating supplier. This process must be monitored and values recorded as per NACE RP 0105-2005 or latest revision."

During the inspection, no documents/records existed to verify that the pipe's surface temperature had been monitored before applying the coating material or that the temperature was within the controlled limits recommended by the coating supplier. In addition, the temperature recording apparatus used for monitoring the ambient temperature during coating application was inoperable and out of calibration (last calibrated in 2013).

After the above findings were identified to Rose Rock by PHMSA the operator made changes to their field-joint coating inspection procedures and replaced the field-joint coating inspector. The changes were confirmed during a follow-up field inspection on September 24, 2015.

2. §195.228 Welds and welding inspection: Standards of acceptability.

(a) Each weld and welding must be inspected to insure compliance with the requirements of this subpart. Visual inspection must be supplemented by nondestructive testing.

Rose Rock Midstream's Certified Welding Inspector (CWI) failed to perform visual inspections of production welds as required by Subpart D of §195.228 during PHMSA's site visit. The operator also had no inspection records to show that the visual inspections had been performed.

On July 29, 2015, during PHMSA's observation of field production welds at Pixley Crossing and Phillips Pipeline (Station 841+46 & 843+98), the CWI failed to inspect each weld-pass for defects and to ensure interpass cleaning was sufficient between passes to eliminate slag entrapment. In addition, there were no records to indicate that the inspector was performing visual inspections on previous field welds to ensure adherence to the welding procedure and the acceptability of welds per Section 9, API Std. 1104.

After the above findings were identified to Rose Rock by PHMSA, the operator made changes to their welding inspection procedures and replaced the CWI. The changes were confirmed during a follow-up field inspection on September 24, 2015.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a 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 in Rose Rock 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 4-2015-5028W**. 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,



R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration