

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 2, 2016

Roger Thorpe
Vice President of NGL Operations
ONEOK NGL Pipelines, LLC
100 West Fifth Street
Tulsa OK, 74102

CPF 4-2016-5016W

Dear Mr. Thorpe:

On June 16th 2015, ONEOK NGL Pipelines, LLC experienced an excavation related accident on its North Snyder to Snyder Station Scurry 6" line in Scurry County TX. As a result, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code conducted an investigation and review of the documentation related to the accident in Scurry County Texas.

As a result of the review, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:

§195.402 Procedural manual for operations, maintenance, and emergencies

- (a) **General.** Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

(c) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(2) Gathering of data needed for reporting accidents under Subpart B of this part in a timely and effective manner.

ONEOK NGL Pipeline, LLC failed to follow its written Natural Gas Liquids Operations and Maintenance Procedures (Document No: PRC 1400.000 Section 2) on two occasions in response to an accident that occurred in Scurry County, Texas on June 16, 2016. First, ONEOK failed to provide an immediate notice within 1 hour from the time determination was made that an accident had occurred as required. Second, ONEOK did not effectively gather the data needed to provide a reasonable initial estimate of product released to file the immediate notice of the accident as required which resulted in ONEOK reporting an incorrect volume of 100 barrels of released product rather than the more accurate 1609 barrels.

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 ONEOK NGL Pipelines LLC being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **4-2016-5016W**. 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