



Panther Operating Company, LLC

October 24, 2016

Mr. R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074



Certified Mail – Return Receipt Requested

Re: Proposed Compliance Order - Inspection **CPF 4-2016-5032**

Dear Mr. Seeley:

Regarding the referenced inspection and proposed compliance order received by letter dated September 29, 2016, Panther Operating Company, LLC (Panther) submits the following:

- Relative to Item 1 of the Notice of Probable Violation – Panther will promptly correct the items referenced in this Item 1. Panther inadvertently filed a change of ownership form rather than a change of operator form. Panther became operator of the referenced pipeline system on July 1, 2014, but the owner of the system did not change. Panther personnel have been alerted to verify that the correct form is used in the future.
- Relative to Item 4 of the Notice of Probable Violation – Given that the ILI run performed in December 2007 is considered the baseline integrity assessment for the pipeline, and the accepted assessment frequency of five (5) years not to exceed sixty-eight (68) months would be August 2013. Panther scheduled and began the (5) five-year reassessment process in August 2012 by launching a sizing plate in preparation for the next ILI run.

Due to technical issues and unavailable equipment from the ILI vendor, Panther encountered various delays before a successful ILI run was made. PHMSA was notified of this sequence of tasks and delays by correspondence dated September 22, 2015. Attached is a copy of this transmittal which details the sequence of events.

The reassessment process was begun within the required time and issues beyond Panther's control resulted in the completed process exceeding the five

(5) year timeframe. However, the ILI run was completed and inspection data made available to Panther in September 2015.

Given these conditions and events, Panther respectfully requests that this item be removed from the final compliance order.

- Relative to Items 2, 3, 5, 6, 7 of the Notice of Probable Violation – Panther does not contest these items and will take the actions in the proposed compliance order.

As each component is completed, Panther will provide documentation of each completed item to PHMSA and all items will be completed within sixty (60) days of receipt of the final order.

Please advise if there are any questions or if additional information is required.

Sincerely,

Panther Operating Company, LLC



Luis Guzman
Vice President and Secretary

cc:
Brandon Rochner
Panther Operating Company

Michael Reagan
Pipeline Compliance Specialists

Jeff Davidson
Pipeline Compliance Specialist

Attachment:
Letter to PHMSA Information Resource Manager