

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED [7007 2560 0000 7825 9471]

September 21, 2010

Mr. Greg Mattson
VP, HSSE & Engineering
BP Exploration (Alaska), Inc.
P.O. Box 196612
Anchorage, AK 99519-6612

CPF 5-2010-0015M

Dear Mr. Mattson:

On July 27-29, 2010, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected BP Exploration Alaska's (BPXA) procedures for the Badami Natural Gas Transmission Pipeline in Prudhoe Bay, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within BPXA plans or procedures, as described below:

- 1. §192.605 Procedural manual for operations, maintenance, and emergencies (b) (3) Making construction records, maps, and operating history available to appropriate operating personnel. (3) Making construction records, maps, and operating history available to appropriate operating personnel.**
 - A. The Pipeline Alignment Sheet (G 254) indicated that the pipe wall thickness was .432 inches for the entire pipeline. The Badami Pipeline Site Specific DOT Operations, Maintenance, Emergency Response (OMER) Manual lists the belowground river crossings (Kadleroshilih, Shaviovik, and Sagavanirkok river crossings) as .432 wall thickness and the rest of the pipeline as .375 wall thickness. During the field inspection, pipe was found marked .432 wall thickness at the cased crossing at Badami, and .375 along the causeway. The alignment sheets need to indicate the actual wall thickness of the pipeline.
 - B. The Operator's Badami Natural Gas pipelines, DOT Operation, Maintenance, Emergency Response Manual (OMER) was found in need of updating as follows:

1. Page 5, “Physical Description” indicate that the Technical Specifications are found in Appendix F (they are found in Appendix A), DOT equipment are found in appendix G (they are found in appendix B) and DOT boundaries are in appendix H (they are in appendix C)
2. Page 27, Appendix A, Technical Specifications indicate that the valves are rated ANSI 600 #. This not consistent with the MAOP or the flange rating.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 90 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 5-2010-0015M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dennis Hinnah
Deputy Director, Western Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*

cc: PHP-60 Compliance Registry
B. Flanders (#130728)