

**NOTICE OF PROBABLE VIOLATION  
and  
PROPOSED COMPLIANCE ORDER**

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

January 14, 2011

Mr. Dennis Newman  
HES Manager  
Vintage Production California, LLC  
9600 Ming Avenue, Suite 300  
Bakersfield, CA 93311

**CPF 5-2011-0005**

Dear Mr. Newman:

On August 23-26, 1010, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your written procedures contained within your Operations and Maintenance (O&M) Procedural Manuals for the Santa Paula gas system. Our representative also reviewed records to ensure that the O&M procedures were properly implemented. These procedures and records review were conducted at your Santa Paula, California office.

As a result of the inspection, 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:

**1. §192.457 External corrosion control: Buried or submerged pipelines installed before August 1, 1971.**

**(a) Except for buried piping at compressor, regulator, and measuring stations, each buried or submerged transmission line installed before August 1, 1971, that has an effective external coating must be cathodically protected along the entire area that is effectively coated, in accordance with this subpart. For the purposes of this subpart, a pipeline does not have an effective external coating if its cathodic protection current requirements are substantially the same as if it were bare. The operator shall make tests to determine the cathodic protection current requirements.**

**(b) Except for cast iron or ductile iron, each of the following buried or submerged pipelines installed before August 1, 1971, must be cathodically protected in accordance with this subpart in areas in which active corrosion is found:**

**(1) Bare or ineffectively coated transmission lines.**

Vintage's high pressure sales gas pipeline from the Santa Clara Valley Gas Plant to the SoCal pipeline is not being cathodically protected. The pipeline, which was constructed in 1960, is partially coated with Polyken tape and Fusion Bonded Epoxy, but has no cathodic protection. Each buried transmission line installed before August 1, 1971, that has an effective external coating must be cathodically protected along the entire area that is effectively coated. If the pipeline is bare or ineffectively coated, it must be cathodically protected.

Proposed Compliance Order

With respect to item 1 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Vintage Production California LLC. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

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.

In your correspondence on this matter, please refer to **CPF 5-2011-0005** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Chris Hoidal

Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*  
*Response Options for Pipeline Operators in Compliance Proceedings*

cc: PHP-60 Compliance Registry  
PHP-500 H. Monfared (#128422)

## **PROPOSED COMPLIANCE ORDER**

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Vintage Production California LLC a Compliance Order incorporating the following remedial requirements to ensure the compliance of Vintage Production California LLC with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to high pressure sales pipeline from Santa Clara Valley Gas Plant to SoCal pipeline not being cathodically protected, Vintage Production California LLC must install cathodic protection to this pipeline.
  
2. Vintage Production California LLC shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Chris Hoidal, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. Costs shall be reported in two categories:
  - 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and
  - 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.