

CERTIFIED MAIL [7010 2780 0001 0586 7156] AND FAX TO: 713-656-8232

August 8, 2012

Mr. Gary Pruessing
President
ExxonMobil Pipeline Company
800 Bell Street
Room 741-D
Houston, Texas 77002

**Re: CPF 5-2011-5017H
Closure Letter**

Dear Mr. Pruessing:

On July 5, 2011, the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Associate Administrator for Pipeline Safety issued a Corrective Action Order (CAO) in the above-referenced case. It required ExxonMobil Pipeline Company (EMCO) to take certain corrective actions with respect to the Silvertip crude oil pipeline that failed on July 1, 2011 near Laurel, Montana spilling approximately 1500 barrels of crude oil into the Yellowstone River. Item 8 of the CAO required that EMCO complete a failure investigation and determine the mode of failure for the Yellowstone River Crossing. On August 7, 2012, I received an original copy of the final metallurgical report from Kiefner and Associates, Inc. (KAI) entitled, Final Report No. 12-110R1 – Investigation of the Silvertip-Billings Crude Oil Pipeline Failure at the Yellowstone River Crossing, dated August 6, 2012.

I have no question regarding the KAI metallurgical report failure and analysis, nor do I see any unresolved system integrity or operational issues mandated by the CAO. Therefore, I am closing this Corrective Action Order. My staff will continue to review the metallurgical report in detail to see if there are any other safety concerns not addressed by the CAO. PHMSA will also determine if any probable violations of the pipeline safety regulations were committed by EMCO personnel prior to, during, or after the release

Thank you for your assistance in bringing this effort to an acceptable conclusion.

Sincerely,

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration