



August 15, 2007

Certified Mail: 7006 0100 0002 9205 2123

Mr. R.M. Seeley
Director, Southwest Region
PHMSA
8701 S. Geesner Road
Suite 1110
Houston, TX 77074

RE: RESPONSE TO CPF NO. 4-2007-5024M

Dear Mr. Seeley:

Please consider this letter Ciniza Pipe Line Company's (Ciniza) response to CPF No. 4-2007-5024M: Notice of Amendment dated August 2, 2007.

Please find attached the specific issues outlined in your letter CPF No. 4-2007-5024M presented in chronological order.

Ciniza fully understands and appreciates the importance of its Pipeline Integrity Management Program and will continue to work to improve the program. Ciniza is committed to dedicating the necessary resources to the Pipeline Integrity Management Program to ensure the safety of the public, employees and the protection of the environment.

Should you have any questions or concerns regarding this letter or any other matters, please don't hesitate to contact me at 505-632-4044. We look forward to working in partnership with the Office of Pipeline Safety to ensure the continued integrity and safe operation of our pipeline system.

Sincerely,

Ron Copple
Ciniza Pipe Line Co.
General Manager

PHONE

505-632-8013

FAX CPF No. 5-2007-5024M

505-632-3911

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50 ROAD 4990
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NEW MEXICO
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Attachments:

- GeoFields Liquid HCAA Analysis-Technology Overview
- 16-in HCA Impact Results
- Ciniza/Giant BAP

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Attachment I – Response to CPF No. 4-2007-5024M

Ciniza submits the following written explanations and information regarding the allegations and hereby seeks withdrawal of the notice proposing amendment.

Item 1:

Ciniza must identify and document the associated Jal to Bisti 16-in Giant Pipeline segments that impact HCAs in their IMP. The Ciniza/Giant pipeline segment was removed from the BAP in August 2005, and Ciniza/Giant notified PHMSA of this action. Ciniza/Giant provided a copy of this notification to the inspection team during the inspection. The 16-in pipeline is currently in the process of being brought into service.

Out of Service pipelines that could affect HCAs must be identified in the BAP, but Ciniza can defer baseline assessment or re-assessment until the pipeline is returned to service. The regulations do not define "idle" pipe, however, PHMSA understands "idle" pipe as pipe not currently being used to move hazardous liquid that could be put back in service at a future date. This idle pipe may include in-service pipe (e.g. contains hazardous liquids but is currently static or unused) or out-of-service pipe which may contain non hazardous fluids. All idle pipe is subject to the requirements of Part 195. PHMSA will accept deferral of certain activities required by the IM rule, but will require, at a minimum, determining whether any portions of the idle lines lie within an HCA.

Giant Pipeline has performed HCA impact analysis for the 16-in Jal to Bisti Pipeline using the GeoFields HCAA process. This type of overland spread analysis is detailed in the attached "GeoFields Liquids HCAA Analysis-Technology Overview". This analysis had been performed, documented and implemented into the Ciniza IMP prior to the PHMSA inspection on Dec. 4-7, 2006. Ciniza's understanding was that the audit would not cover Giant Pipeline, which operates under a different ID# than Ciniza Pipeline. Therefore the BAP that was provided to the inspectors did not reflect the 16-in Jal to Bisti Pipeline (Ciniza Pipeline only). However, during the course of the audit, Ciniza did review the results of the 16-in HCA impact analysis and combined Ciniza/Giant BAP with the PHMSA inspection team. This issue was discussed in detail during the exit interview, and deemed to be not applicable once it was determined that the 16-in HCA analysis was completed and documented in the IMP/BAP.

Since the audit, the configuration of the 16-in changed slightly (EFRD placement/type) which required that the HCA impact analysis be performed again (prior to commissioning). The results of that HCA impact analysis are attached, along with the most recent version of the combined Ciniza/Giant BAP.

Item 2:

No further action required per PHMSA comment in CPF No. 4-2007-5024M.

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Segment Identification Data					Risk			HCA Information					Qualified Prior	Planned Integrity Assessments			
Priority	System	Category	Diameter	Segment Name	Length (mi)	Risk Score (low score-high risk)	Risk Score Sabotage (low score-high risk)	Index Sum Factors (By Priority)	HCA Types	Comment	HCA Start	HCA End	HCA Segment Length (mi)	HCA % of Segment	Type: 1 = Pressure Test 2 = ILI Inspection (Note type) 3 = Other**	Date (Nearest Quarter Year)	Type: 1 = Pressure Test 2 = ILI Inspection (Note type) 3 = Other**
	Wingate	2	4	Wingate	12.0	22.42	7.35	Design, Third Party, Corrosion	ECO, OPA	100% HCA	0.0	12.0	12.0	100%	1: 6/16/05	3Q, 2009	1
	West	2	6	West	77.0	74.52	28.39	Corrosion, Design, Third Party	ECO	BUFFER	54.0	64.4	10.4	13%	2(Caliper/MFL); 10/31/05	2Q, 2010	2 (Caliper/MFL)
	East	2	6	Star Lake to Hospah	25.7	73.75	37.61	Corrosion, Third Party, Design	ECO	BUFFER	0.0	15.8	15.8	67%	2(Caliper/MFL); 11/7/05	2Q, 2010	2 (Caliper/MFL)
	East	2	6	Hospah to Refinery	46.5	73.52	37.42	Corrosion, Third Party, Design	OPA	BUFFER	51.8	69.9	18.1	39%	2(Caliper/MFL); 11/7/05	2Q, 2010	2 (Caliper/MFL)
	San Juan	2	6	San Juan	17.0	72.43	41.85	Design, Corrosion, Third Party	DW, ECO, OPA	100% HCA	0.0	17.0	17.0	100%	2(Caliper/MFL); 5/30/07	4Q, 2012	2 (Caliper/MFL)
	16-in	2	16	Jaf to Lynch	37.7	28.9	11.0	Design, Corrosion, Third Party	OPA	Sheet 17	510.4	509.4	1.0	3%	1: 7/7/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 15	454.7	454.4	0.3		1: 7/10/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 15	451.8	449.6	2.2		1: 7/10/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 15	449.3	446.9	2.4		1: 7/10/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 15	444.9	444.7	0.2		1: 7/10/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 14	427.0	424.4	2.6		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 14	424.3	421.4	2.9		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 14	417.7	417.1	0.6		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 14	415.2	414.1	1.1		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 13	411.7	411.4	0.3		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 13	409.9	409.4	0.5		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 13	402.6	401.5	1.1		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 13	400.7	399.9	0.9	20.2%	1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 13	398.8	397.3	1.5		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 13	393.5	386.8	6.7		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 12	382.4	381.1	1.3		1: 8/24/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO	Sheet 12	378.0	377.7	0.3	14.6%	1: 6/18/07	2Q, 2009	2 (Caliper/MFL or UT)
									n/a	Sheet 7-10			0.0	0%	1: 6/5-12/06	2Q, 2009	2 (Caliper/MFL or UT)
									DW	Sheet 7	245.1	244.5	0.6		1: 6/4-5/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 7	243.2	240.5	2.7		1: 6/4-5/06, 5/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 7	240.3	239.4	0.9		1: 5/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 6/7	238.4	237.8	0.7		1: 5/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 6	235.1	234.7	0.4		1: 5/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 6	222.8	222.4	0.4		1: 5/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									HFA, OPA, DW, ECO	Sheet 5/6	219.6	210.3	9.3		1: 5/12-24/06	2Q, 2009	2 (Caliper/MFL or UT)
									HFA, OPA, ECO	Sheet 5	207.9	203.5	4.5		1: 5/12-13/06	2Q, 2009	2 (Caliper/MFL or UT)
									HFA, OPA, ECO	Sheet 5	199.9	199.6	0.3		1: 5/12-13/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 5	197.7	193.1	4.7	36.3%	1: 5/12-13/06	2Q, 2009	2 (Caliper/MFL or UT)



Segment Identification Data					Risk*			HCA Information					Qualified Prior	Planned Integrity Assessments			
Priority	System	Category	Diameter	Segment Name	Length (mi)	Risk Score (low score=high risk)	Risk Score-Sabotage (low score=high risk)	Index Sum Factors (By Priority)	HCA Types	Comment	HCA Start	HCA End	HCA Segment Length (mi)	HCA % of Segment	Type: 1 = Pressure Test 2 = ILI Inspection (Note type) 3 = Other**	Date (Nearest Quarter Year)	Type: 1 = Pressure Test 2 = ILI Inspection (Note type) 3 = Other**
	16-in	2	16	San Ysidro to Star Lake	62.6	19.2	12.1	Design, Corrosion, Third Party	HPA, OPA, ECO	Sheet 5	193.1	191.6	1.5		1: 5/9-10/06	2Q, 2009	2 (Caliper/MFL or UT)
									HPA, OPA, ECO	Sheet 5	190.7	190.2	0.5		1: 5/9-10/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, ECO	Sheet 5	189.5	188.9	0.6		1: 5/9-10/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, ECO	Sheet 5	188.8	186.3	2.6		1: 5/9-10/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 4	184.9	183.5	1.4		1: 5/9-10/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3/4	162.8	158.0	4.8		1: 5/4/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	158.0	156.7	1.3		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	155.9	155.1	0.8		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	153.5	152.9	0.6		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	152.1	151.7	0.4		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	151.6	151.3	0.3		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	149.5	149.1	0.4		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	143.0	141.6	1.4		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	140.9	140.2	0.7		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	139.3	138.8	0.5		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	137.6	137.1	0.5		1: 6/23/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 3	136.0	135.5	0.5		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 2	134.3	134.0	0.3	30.0%	1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	123.9	122.4	1.5		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	121.4	120.8	0.6		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	119.5	118.6	0.9		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	117.6	117.4	0.2		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	116.7	116.3	0.4		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	115.0	114.6	0.5		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 2	114.1	113.2	0.9		1: 6/8/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA	Sheet 1	96.3	95.3	0.9		1: 4/2/06	2Q, 2009	2 (Caliper/MFL or UT)
									OPA, DW	Sheet 1	94.4	93.6	0.8		1: 4/2/06	2Q, 2009	2 (Caliper/MFL or UT)
									ECO, DW	Sheet 1	90.5	90.2	0.3		1: 4/2/06	2Q, 2009	2 (Caliper/MFL or UT)
									HPA, ECO, DW	Sheet 1	89.8	89.4	0.4	16.8%	1: 4/2/06	2Q, 2009	2 (Caliper/MFL or UT)
												% HCA	25%				
												Inspected HCA Miles	149.4	100.0%			
												Total HCA Miles	149.4				
					Total Miles	599.9											

*Risk results dated 8/8/07