

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 13, 2015

Emmett Reagan
Senior Vice President
Western Refining Pipeline LLC
123 W Mills
El Paso, Texas 79906

CPF 4-2015-5022W

Dear Mr. Reagan:

On June 30, 2015 Western Refining Pipeline LLC (Western Refining) experienced an unintended release in McKinley County, New Mexico on their Hospah-to-Gallup pipeline. The accident, attributed to third party excavation damage, was reported to the National Response Center (#1121456). A representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant Chapter 601 of 49 United States Code, investigated the accident.

As a result of the investigation, 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 noted below:

1. §195.302 General requirements.

(a) Except as otherwise provided in this section and in §195.305(b), no operator may operate a pipeline unless it has been pressure tested under this subpart without leakage. In addition, no operator may return to service a segment of pipeline that has been replaced, relocated, or otherwise changed until it has been pressure tested under this subpart without leakage.

Western Refining failed to complete pressure testing required under Part 195 Subpart E for approximately 126 feet of pipe replaced and returned to service at Milepost 33 on the Hospah-to-

Gallup pipeline.

On June 30, 2015, Western Refining experienced a reportable accident on their Hospah-to-Gallup Line, a 6 inch outer diameter crude oil pipeline. As a result of the failure, Western Refining replaced 126 feet of pipeline. Western Refining completed the tie-in on July 1, 2015 and resumed operation of the pipeline system. The replacement pipe was not subjected to a pressure test before operations restarted. The pipeline system remained in operation until July 10, when the 126 foot portion of replacement pipe was removed and replaced with pipe that was previously tested to the requirements in Part 195 Subpart E.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Western Refining being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2015-5022W**. 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).

Sincerely,

R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration