



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

JUN 29 2006

Mr. Michael A. John
Senior Vice President - Drilling and Operations
Columbia Natural Resources, LLC
900 Pennsylvania Avenue
Post Office Box 6070
Charleston, WV 25362-0070

RE: CPF No. 2-2005-1017

Dear Mr. John:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and requires certain corrective action. When the terms of the compliance order are completed, as determined by the Director, Southern Region, this enforcement action will be closed. Your receipt of this Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: Ms. Linda Daugherty, Director, Southern Region, OPS

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of

**Columbia Natural Resources, LLC,
A Triana Energy Company
Respondent.**

CPF No. 2-2005-1017

FINAL ORDER

On May 3 - 7, 2005, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety Pipeline Safety (OPS), conducted an investigation of the April 30, 2005, incident involving Respondent's B-6 pipeline located near Inez, Kentucky. As a result of the investigation, the Director, Southern Region, OPS, issued to Respondent, by letter dated January 20, 2006, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. Part 192 and proposed that Respondent take certain measures to correct the alleged violations.

Respondent responded to the Notice by letter dated, February 13, 2006 (Response). Respondent did not contest the allegations of violation but offered an explanation and provided information concerning the corrective actions it has taken. Respondent did not request a hearing, and therefore has waived its right to one.

FINDINGS OF VIOLATION

(Uncontested)

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

49 C.F.R. § 192.457–Failure to cathodically protect buried or submerged pipeline installed before August 1, 1971. Respondent's external corrosion control program did not cathodically protect the bare B-6 pipeline section that crossed the Coldwater Creek in the Stepp Branch Bottom area near Inez, KY, which leaked due to external corrosion. This section of pipe was installed in 1947.

49 C.F.R. § 192.491(c) –Failure to maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy

of corrosion control measures or that a corrosive condition does not exist. Respondent's corrosion control records lack sufficient detail to demonstrate the adequacy of corrosion control measures taken to cathodically protect and address bare pipe in the system.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 1 and 2 for violations of 49 C.F.R. §§192.457(b) and 192.491(c).

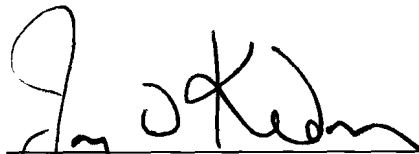
Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118 (b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations. Respondent must -

1. Develop and implement a written plan to identify, locate and cathodically protect bare pipe in those areas that may be similar to the Coldwater Creek area in Stepp Bottom Branch near Inez, Kentucky, where the corrosion leak occurred on the bare 8-inch B-6 line. The plan must include a detailed investigation of all buried pipeline exposures in the system. Complete this item within 90 days of receipt of this Order.
2. Develop procedures and processes to ensure that detailed records are maintained to demonstrate the adequacy of corrosion control measures on your pipeline facilities. Complete this item within 90 days of receipt of this Order.
3. Submit documentation and evidence of completion of these actions to Ms. Linda Daugherty, Director, OPS, Southern Region, Pipeline and Hazardous Materials Safety Administration, 233 Peachtree Street, Suite 600, Atlanta, GA 30303.

The Director, OPS, Southern Region may grant an extension of time for compliance with any of the terms of this order for good cause. A request for an extension must be in writing and adequately justifies the reasons for the extension.

Failure to comply with this Final Order may result in the assessment of civil penalties of up to \$100,000 per violation per day, or in the referral of the case for judicial enforcement.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The terms of the order, including any required corrective action, remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective on receipt.



for
Stacey Gerard
Associate Administrator
for Pipeline Safety

JUN 29 2006

Date Issued