

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 9, 2009

Mr. David Rose
Environmental Health and Safety
Plains Exploration and Production (PXP)
201 South Broadway
Orcutt, CA 93455

CPF 5-2009-0026W

Dear Mr. Rose:

On September 1-2, 2009, 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 LOGP to SOCAL 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 Orcutt, California office.

As a result of the inspection, it appears that Plains Exploration and Production (PXP) has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:

1. §192.616 Public Awareness

(g) The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.

PXP must ensure the public awareness messages are delivered in both English and Spanish languages. PXP follows API 1162 recommended message deliveries for its stakeholders. However, these messages are delivered in the English language only. The other commonly language understood by a significant number of the population in the LOGP to SOCAL area is Spanish.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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 items identified in this letter. Failure to do so will result in Plains Exploration and Production 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 5-2009-0026W**. 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,

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

cc: PHP-60 Compliance Registry
PHP-500 H. Monfared (#123247)