

## NOTICE OF AMENDMENT

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 30, 2010

Mr. Morris V. Hodes  
President  
Hillcrest Beverly Oil Corporation  
27241 Burbank Ave.  
Foothills Ranch, CA 92610

CPF 5-2010-0013M

Dear Mr. Hodes:

On February 16, 2010, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Hillcrest Beverly Oil Corporation procedures for operating and maintaining the gas gathering line in Los Angeles, California.

On the basis of the inspection, PHMSA identified the apparent inadequacies found within Hillcrest Beverly Oil Corporation's plans or procedures, as described below:

1. **192.616 Public Awareness.**
  - (d) **The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:**
    - (1) **Use of a one-call notification system prior to excavation and other damage prevention activities;**
    - (2) **Possible hazards associated with unintended releases from a gas pipeline facility;**
    - (3) **Physical indications that such a release may have occurred; and**
    - (4) **Steps that should be taken for public safety in the event of a gas pipeline release;**
    - (5) **Procedures for reporting such an event.**

Hillcrest Beverly Oil Corporation Procedure 3.03 Public Education Program did not have complete procedures to educate the public, government organizations and excavators on all of the required provisions of 192.616(d). Missing was how the operator will educate the listed audiences on possible hazards associated with an unintended release of gas from the pipeline, physical indications that a release has occurred, and steps that must be taken to protect public safety.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

On March 30, 2010, PHMSA Western Region received by fax revised procedures related to Hillcrest Beverly Oil Corporation's Procedure 3.03 Section 3, Page 5 of 5, Public Awareness 192.616(d). My staff reviewed the revised procedures and it appears that the inadequacies outlined in this notice of amendment have been corrected.

This letter is to inform you no further action is necessary and this case is now closed. Thank you for your cooperation.

Sincerely,

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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*