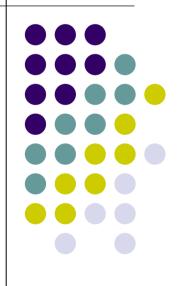
Land Owner Relations Suburban Right of Way Clearing



2008 PIPA Workshop January 16th 2008



Port Arthur

Pasadena

Pipeline System



- 1,411 miles of pipeline in six states monitored by Central Control Technicians in the Tulsa Control Center
- 32 Pump Stations/ Terminals

Operating Profile

- 1,411 miles refined products pipeline built in 1971
- From Gulf Coast origins to markets in:
 - Dallas Metropolitan
 - Tulsa
 - St. Louis
 - Chicago
- Major locations
 - Texas: Port Arthur, Pasadena, Greenville, Dallas
 - Oklahoma: Glenpool
 - Illinois: Wood River
 - Indiana: Hammond
- 28" and 24" pipelines, no parallel or looped lines
- 800 psi maximum operating pressure
- 600,000 to 700,000 BPD



ROW Maintenance Program



Policy: "Ground to sky over entire width of easement"

	Suburban	Rural
Easement Width	20-30'	50'
ROW Maintenance	Annually	20% per year

Special ROW Clearing Projects History and Schedule

- Land Use Development
 - Residential subdivisions in metropolitan areas Built to us
- Trees and vegetation grew over time
 - Restricted access and visibility of easement
- 1% of Right of Way fit this category
- Decision to better address these areas in 2003
- Completed clearing in Tulsa, OK, St Peters, MO, Northwest Indiana, Dallas suburbs, Gulf Coast (primarily tree removal)

Suburban Clearing Projects Initial Contact with Landowners

- Approach is informal but professional
- Occurs during field reconnaissance
- Phase 1 Objectives:
 - Developing line list by address
 - Adding line markers
 - Review of easement rights and boundaries
 - Easement survey

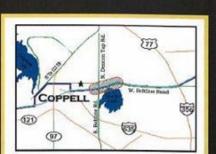


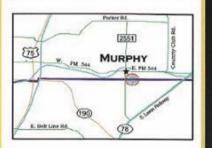
Suburban Clearing Projects Phase 2: Preparation



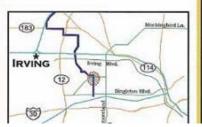
- Brochure
- Letter to Homeowners
- Scope of Work
- Stakeholder Letter
- Identify Civic and Media Contacts (engage local public relations consultant)
- Enlist contact persons and schedule

Brochure (front)









Explorer Pipeline Company

Tulsa-based Explorer Pipeline owns and operates a 1,400-mile pipeline in six states, including Texas. Its pipeline system transports gasoline, diesel fuel, and jet fuel from Gulf Coast refineries and port facilities into the mid-western United States, including the Dallas Metroplex as a product destination.

Safety. Security.

The Right Way

Dallas Metroplex Right-of-Way clearing







For more information, contact: Leith V. Watkins Director, Maintenance Services Explorer Pipeline P.O. Box 2650 Tulsa, OK 74101-2650 918-493-5150

Brochure (back)

Safety. Security. The Right Way.

Explorer Pipeline is committed to doing things the right way when it comes to the integrity, safety and security of our pipeline. Protecting the people living in our communities and the environment are our highest priorities, at all times.

To meet U.S. Department of Transportation (DOT) pipeline requirements, we are committed to regular inspections of the pipeline. In fact, we take it one step further. We survey the pipeline constantly - on the ground, from the air, and electronically from our 24-hour control center.

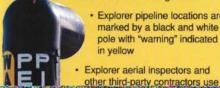
We must periodically clear and mark the areas

For Your Safety.

This important safety information is for people who live or work near Explorer's pipeline. You can help us keep your family and community safe by learning more about our pipeline and how to prevent accidents.

How to locate a pipeline

· Pipelines are usually hidden since they are under streets and buried underground



- · Explorer pipeline locations are marked by a black and white pole with "warning" indicated in vellow
- Explorer aerial inspectors and

How to prevent an accident before you dig

- Call Texas Before You Dig at 1-800-545-6005. Please call 48 hours before you dig.
- · Explorer will mark the location of its buried pipeline at no charge to you

Detecting pipeline damage or a possible leak

· Dead vegetation or liquid on the ground near the pipeline

Marries and a second second

- · Fire or a dense white cloud or fog
- Hissing or roaring sound

Stakeholder Letter



P. O. Box 2650 Tulsa, OK 74101 918-493-5150 Fax 918-493-5148 Iwatkins@expl.com

Leith V. Watkins Director Corrosion Control and Maintenance Services

May 24, 2006

Dear Stakeholder:

Our letter has five purposes, all prompted by an upcoming tree clearing project:

- · Notify you of our presence in a land area of your interest.
- Inform you of the nature of our interstate pipeline and its operation.
- Advise you of our summer plans to clear our pipeline right-of-way of trees and encroaching structures; fences will generally be permitted to stay.
- Explain why clearing is now necessary after a period of not clearing.
- Offer to answer questions you might have, either by phone, letter, or in person. We will also be happy to make any group presentation you think appropriate.

A number of handouts are enclosed in this litter bag: a general information brochure, a brochure specifically designed for this project, a letter which has or will be hand delivered to all private landowners on whose land we will conduct ROW clearing, a copy of our urban ROW clearing specifications, and a press release. Your attention is particularly directed to the primarily black and yellow brochure for a quick overview of our upcoming project.

Continuously, for well over thirty years on a 24/7 basis, our 28 inch diameter pipeline has transported consumer petroleum products (e.g., gasoline, diesel, heating oil). The volume through this pipeline is approximately 14,000 gallons per minute. We originate at the Gulf of Mexico and make deliveries along the way up to the Chicago area. A 12 inch line serves the Dallas Metroplex. We are a major consumer source of liquid energy delivery in Mid-America.

In 1971 when the rights to construct, operate, and maintain the pipeline were acquired from private land owners, we also acquired the rights to keep our ROW clear of vegetation (generally trees) and structures. However, for almost thirty-five years, we generally postponed these rights to clear the ROW in urban locations, primarily because of our desire to not be disruptive to our neighbors. In many cases, there have been several successive land owners and/or the land has been subdivided. In short, much time has passed and urbanization has come to us.

As a result, many current private land owners are unaware of the clearing rights that were long ago severed from their property, although there is a courthouse record as well as the very obvious on the ground marking of our pipeline. To remove vegetation from land owned by a governmental entity, however, we must generally obtain specific permission.

During the past several years, there has been an increasing awareness within the pipeline industry and within the federal government for interstate pipeline companies to more actively manage their right of ways. In part, this emphasis has resulted from several nationally prominent transportation accidents, pipeline security, and the overall need for higher standards of pipeline integrity in an ever increasing complex society.

Federal regulations and our increasing desire for a safer operation require that we have good access and good visibility to our pipeline. Explorer must meet these two expectations and requirements. A cleared, well marked pipeline corridor also greatly reduces the likelihood of a third party (e.g., landowner, local excavator) causing an immediate or future accident. For these reasons, we now must clear and keep clear the urban portions of our right of way.

The land areas we plan to clear this summer are shown in the enclosed black/yellow brochure.

All vegetation clearing and resultant stump grinding will be done entirely at Explorer's expense. The ROW has been recently surveyed to correctly identify the trees that will be removed and/or side trimmed. Some trees will be side trimmed from properties not actually a part of the ROW, but from branches extending into the ROW. Please see enclosed clearing specifications. Homeowners, with encroaching structures, will be asked to remove the structures and adequate time will be provided. The tree clearing will be done by a nationally recognized tree service, and all workers will be so identified. A full time, experienced Explorer Pipeline inspector will always be present during cutting.

Should additional information be needed or if there are questions, please let me know. An Explorer representative, fully familiar with the plan, will make contact with you over the next few weeks to briefly discuss this effort and answer any questions you may have.

Thank you taking the time to read of our plans. Our objectives are to do what is necessary to continue having a safe pipeline and continue to be a quiet, silent neighbor.

Should you have any questions or concerns about the work to be done, please call me toll free at 1-800-364-0720, ext. 5150 at our main office in Tulsa, Oklahoma. Thank you for your understanding of this necessary and required maintenance work.

Respectfully,

Leith V Wathoms

Leith V. Watkins Director of Maintenance Services

Letter to Homeowners



Leith V. Watkins Dir. of Corrosion Control & Maintenance Services P. O. Box 2650 Tulsa, Oklahoma 74101-2650 918-493-5150 office 918-493-5148 facsimile lwatkins@expl.com

July 10, 2006

Dear Sir/Madam:

Explorer Pipeline owns an underground pipeline in your neighborhood. We purchased a license to install and operate this pipeline along Pringle Street from the City of Dallas roughly 35 years ago. For reasons of public safety, we are preparing to clear, maintain, and mark our right-of-way. We are notifying you because our pipeline crosses your property, or vegetation or structures on your property extend over the pipeline, requiring trimming or removal. The actual work will take place in the summer of 2006.

Approximately 99% of our right-of-way is already cleared and marked as part of our annual maintenance program. The other one percent has become difficult to access and inspect because of increased development, congestion, and growth of trees over many years. This one percent of the right-of-way, which includes your neighborhood, must also be visible and accessible.

Explorer Pipeline, whose nearest Area Office and major facility is located near Greenville, TX, is required by the United States Department of Transportation (DOT) to inspect the surface conditions along the entire 1,400-mile (from Houston to Chicago) petroleum products (primarily gasoline, diesel fuel, and jet fuel) pipeline at least 26 times per year. In fact, we inspect more frequently than regulations require. We patrol 585 miles each week by helicopter across the most congested areas of the pipeline, which includes the entire Dallas Metroplex. These inspections are performed to identify any potential problem or security issue that may affect the safe operation of our pipeline. We look for construction activities, product leaks, erosion, obstructions, changed conditions, or anything else that may result in damage to our pipeline and your property. To do this, it is essential that the right of way be clearly visible to the aerial patrol pilot.

To comply with our standards and DOT mandates, Explorer also conducts various ground tests to ensure the safety and fitness of our pipeline. This requires our personnel to periodically walk along the pipeline right of way. Explorer also installs black and white pipeline markers along the pipeline route; you may have seen some of them. This helps the public, as well as contractors and utility companies, to be aware of our pipelines and reduces the risk of any action that would damage, rupture, or in any way jeopardize the pipeline's safe operation. In addition, accessibility along the pipeline is critical when emergency repairs are necessary. Fortunately, these occurrences are quite rare, but immediate access is important, and a cleared area along the pipeline right of way is absolutely essential to allow a timely response. We assure you that people who live around our pipeline are very important to us, and we will attempt to address any concerns prior to clearing along the pipeline. When requested, we will provide information or hold local meetings so that property owners may better understand what this activity will involve. For your peace of mind and safety, a Company representative will accompany the clearing contractor hired by Explorer.

Should you have any questions or concerns about the work to be done, please call me toll free at 1-800-364-0720, ext. 5150 at our main office in Tulsa, Oklahoma. Thank you for your understanding of this necessary and required maintenance work.

Respectfully,

Leith V. Watkins Director of Maintenance Services

Attachments:

Brochure
 Scope of Work

Scope of Work



SCOPE OF WORK FOR CLEARING EXPLORER PIPELINE ROUTE AND REMOVAL OF CERTAIN OBSTRUCTIONS IN DALLAS

The following are the guidelines that will be used by the Explorer Pipeline Representative and the Right of Way clearing and maintenance contractor in order to ensure an adequately cleared right of way:

- Trees with any part of the trunk within ten feet of the pipeline will be removed. This
 consists of cutting near ground level and grinding the tree stump to just below ground level.
- 2. Trees with branches overhanging a 20 foot corridor along the pipeline will be trimmed to the edge of the corridor. This will apply whether or not the tree is on the property the pipeline crosses. In all circumstances, branches will be cut so that a total width of 20 feet across the corridor is visible from the air. Trimming of trees in this manner may cause an imbalance in the shape of the tree by cutting one side only. These trees will be removed at the discretion of Explorer, or at the owner's request.
- 3. Hedge rows or shrub rows along fences perpendicular to or parallel to the pipeline will be removed or trimmed to clear at least five to seven feet on both sides of the pipeline.
- 4. Shrubs, vines, or other growth obscuring the black and white marker posts will be removed.
- 5. Existing flower and vegetable gardens in the corridor will be left in place.
- 6. Fences will currently be left in place. Explorer will ensure that fence posts have not damaged the pipeline.
- The landowner shall not construct concrete pads or foundations, or locate storage sheds or other structures over the pipeline.

Press Release



EXPLORER PIPELINE COMPANY PRESS RELEASE

Point of Contact: Leith Watkins (918) 493-5150 <u>lwatkins@expl.com</u>

For Immediate Release

Pipeline Company Plans Dallas-Area Right-of-Way Clearing Projects

Tulsa-based Explorer Pipeline Company is preparing for right-of-way clearing projects in the Dallas metropolitan area — projects that company officials say are beneficial for the pipeline and promote community safety.

Explorer's pipeline extends about 100 miles from the company's storage facility in Greenville into the Dallas and Fort Worth areas. The total length of pipe and right-of-way is about 100 miles.

In addition to continual internal pipeline monitoring, the company also conducts visual inspections of the pipeline, generally by air.

"The maturing vegetation and development, including trees and small structures make visual inspection and access increasingly difficult," said Tim Felt, Explorer's president and chief executive officer.

Explorer purchased the right-of-way and clearing rights for its pipeline in 1971, long before many current homes were even built.

"When the pipeline was built in 1971, the vast majority of its route was in rural areas," said Felt. "Now the area is more developed, and maturing vegetation has become a hindrance to inspections, maintenance and access. Over the years, development has come to the pipeline."

Explorer officials plan to visit door-to-door with residents who will be affected. The type of work being done varies from property to property, but essentially the land area of the right-of-way width will be cleared, generally 30 feet wide. It may be necessary to side trim or fully remove trees, and residents will be asked to move interfering structures off the right-of-way. All costs of tree removal, limb haul off and stump grinding will be paid by Explorer.

This clearing project will affect 3-4 miles of the pipeline's length in Wylie, Murphy, Coppell and Dallas. The pipeline's approximate location in all these areas is marked with a white and black vertical plastic pipe with the word "warning" in yellow.

Felt said the U.S. Department of Transportation requires regular inspections of the pipeline. Explorer takes this responsibility further, he said, surveying the pipeline constantly, on the ground, from the air, and electronically from Explorer's 24-hour control center.

"We must periodically clear and mark the area where the pipeline is located to keep the pipeline right-of-way clear of interfering vegetation, debris and other structures or obstructions," Felt said. "This is a critical step in identifying any condition that may affect safe operations and this also enhances the community's safety as well."

Felt said the project will begin in mid July and should be completed in early Fall.

Explorer Pipeline operates a 1,400-mile pipeline system that transports gasoline, diesel, and jet fuel from the Gulf Coast to a number of Midwestern locations, including the Dallas/Ft Worth market.

Suburban Clearing Projects Phase 3: Contacts before clearing



- Schedule one to two months in advance
- Send "Clearing Packets" to media and civic officials; offer face-to-face meeting
- Door-to-door, face-to-face meeting with <u>all</u> affected home owners. Present "clearing packet" (occurs after civic/media contacts)
- Leave packets at door as last resort

Suburban Clearing Projects Phase 4: As clearing work is done

- Door-to-door contact a few days in advance of tree cutting crews
- Newspaper / Television interviews
- Handling calls into office (name/number provided on letters)
- Explorer representative always with crew

Lessons Learned



- What were our challenges in communicating the ROW clearing activities:
 - Landowners need to recognize the passage of time it's a different world now. Safety is progressing; it's continues improvement.
 - Why can't you walk the ROW and not cut down my trees It's more effective to fly and we can see a wider area and it's less intrusive.
 - It's hard to get your message out to those who will be affected after St. Peters we started using a public relations firm to better our communication – gets your message into the right channels so it's heard.
 - We do a lot of things to protect our pipeline: cathodic protection including close interval survey, visual inspection (Fly the line), ROW clearing, real time monitoring the are all equally important.

• What have we learned:

- Need to be proactive with upfront communications to landowners and public officials
- A one size program doesn't fit all: size of yards and multiple pipelines change how people respond.
- If the line isn't clearly marked an out-of-site out-of-mind condition exists which complicates matters and is difficult to overcome.

• What are our Best Practice:

- Be professional, look professional so we convey the importance of what we are doing.
- Be sure of your rights study easement so you know where the pipe is permitted.
- Survey is required and be aware there could be survey errors from original construction.
- Meet with government and civic official (city planners, county commissioners, etc.) beforehand so you can inform them of what you are doing professional courtesy that will help defuse some upset landowners
- Work with other utilities to join in. This will create consistency how everyone is treated.
- Try to make a win/win situation on a case by case basis we help move encroachments, stack wood, grind stumps, and generally leave the area in a better condition than we found it.
- Remember, the landowner also has a good story to tell it's important to respect their opinion.