June 13, 2012

Mr. William Zipf, Jr., Vice President  
Eastern Shore Natural Gas Company  
1110 Forrest Avenue, Suite 201  
Dover, Delaware 19904

Dear Mr. Zipf:

During the week of May 15, 2012, representatives from the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to chapter 601 of 49 United States Code, conducted an on-site pipeline safety inspection of Eastern Shore Natural Gas Company’s (Eastern Shore) procedures in Dover, Delaware. As a result of the inspection, Eastern Shore was issued a Notice of Amendment on March 9, 2012, which proposed amendment of your procedures.

Eastern Shore submitted its amended procedures in letters, dated March 30, 2012 and May 22, 2012. My staff reviewed the amended 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,

Byron Coy, PE  
Director, Eastern Region  
Pipeline and Hazardous Materials Safety Administration