

December 29, 2015

Mr. James J. Volker
President and CEO
Whiting Petroleum Corporation
1700 Broadway, Suite 2300
Denver, CO 80290-2300

Re: CPF No. 3-2015-5004

Dear Mr. Volker:

Enclosed please find the Final Order issued in the above-referenced case. It makes one finding of violation and finds that Whiting Petroleum Corporation has completed the actions specified in the Notice to comply with the pipeline safety regulations. Therefore, this case is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Allan C. Beshore, Director, Central Region, OPS
Ms. Kelli Graff, Pipeline Compliance Specialist, Whiting Petroleum Corporation

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

)	
In the Matter of)	
)	
Whiting Petroleum Corporation,)	CPF No. 3-2015-5004
)	
Respondent.)	
)	

FINAL ORDER

On June 9-13, 2014, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Whiting Petroleum Corporation (Whiting or Respondent) in Dickinson, North Dakota. Respondent’s system consists of 7.3 miles of eight-inch crude-oil pipeline from Belfield Oil Terminal to Bridger’s Skunk Hill Oil Terminal.

As a result of the inspection, the Director, Central Region, OPS (Director), issued to Respondent, by letter dated May 29, 2015, a Notice of Probable Violation and Proposed Compliance Order (Notice), which also included several warning items pursuant to 49 C.F.R. § 190.205. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Whiting had violated 49 C.F.R. §§ 195.404(a) and (c), 195.428(a), 195.440(d), and 195.563(a). The Notice proposed ordering Respondent to take certain measures to correct the alleged violation of 49 C.F.R. § 195.563(a). The remaining violations in the Notice were listed as warning items, which required no further action but warned the operator to correct the probable violations or face possible enforcement action.

Whiting replied to the Notice by letter dated June 23, 2015 (Response). Respondent did not contest the allegations of violation or the proposed compliance order, but did provide additional information regarding the actions it had taken in response to the Notice. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, Whiting did not contest the allegation that it violated 49 C.F.R. Part 195, as follows:

Item 5: The Notice alleged that Respondent violated 49 C.F.R. § 195.563(a), which states:

§ 195.563 Which pipelines must have cathodic protection?

(a) Each buried or submerged pipeline that is constructed, relocated, replaced, or otherwise changed after the applicable date in § 195.401(c) must have cathodic protection. The cathodic protection must be in operation not later than 1 year after the pipeline is constructed, relocated, replaced, or otherwise changed, as applicable.

The Notice alleged that Respondent violated 49 C.F.R. § 195.563(a) by failing to have cathodic protection for the company's breakout tanks.¹ Specifically, the Notice alleged that Whiting failed to apply cathodic protection to the breakout tanks at the Skunk Hill station.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.563(a) by failing to apply cathodic protection to its breakout tanks at the Skunk Hill station.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 5 in the Notice for violation of 49 C.F.R. § 195.563(a). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director indicates that Respondent has taken the following actions specified in the proposed compliance order:

1. With respect to the violation of § 195.563(a) (**Item 5**), Respondent has installed cathodic protection on all eight tanks. All the tanks now meet the applicable cathodic protection criteria.

Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

WARNING ITEMS

With respect to Items 1 through 4, the Notice alleged probable violations of Part 195 but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

49 C.F.R. § 195.404(a) (**Item 1**) – Respondent's alleged failure to maintain current maps of its pipeline system, by not showing a foreign line installed across its pipeline;

¹ Breakout tanks are considered part of the term "pipeline or pipeline system" under 49 C.F.R. § 195.2.

49 C.F.R. § 195.404(c) **(Item 2)** – Respondent’s alleged failure to maintain records for the monthly inspections and annual overfill-protection inspections for the tanks at its Skunk Hill facility in 2013, and the alleged failure to maintain records for the inspection of the shutdowns at Belfield Station for 2013;

49 C.F.R. § 195.428(a) **(Item 3)** – Respondent’s alleged failure to annually inspect flow controllers, which are pressure-limiting devices that must be inspected at intervals not exceeding 15 months, but at least once each calendar year; and

49 C.F.R. § 195.440(d) **(Item 4)** – Respondent’s alleged failure to inform the public of all the different types of hazardous liquids it was transporting by pipeline, in its 2013 public education brochures.

If OPS finds a violation of any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued