



November 3, 2017

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Mr. Allan C. Beshore
Director, Central Region, OPS
901 Locust Street, Suite 462
Kansas City, MO 64106-2641
Allan.Beshore@dot.gov
816-329-3800
816-329-3831 (Fax)

REF: Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order Inspection Package Number: CPF 3-2017-6009, Statoil Oil & Gas LP OPID 38913

Dear Mr. Beshore:

Statoil submits this letter to inform the Department of Transportation, Pipeline and Hazardous Materials Safety Administration ("PHMSA") that it is not contesting the allegations or penalty amounts contained in PHMSA's Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order ("NOV") dated September 29, 2017. As provided by PHMSA's regulations (49 C.F.R. § 190.213), Statoil will pay the proposed civil penalty upon receipt of a final order from PHMSA in accordance with the instructions provided therein. Additionally, as detailed in the NOV, Statoil intends to comply with the Proposed Compliance Order within 90 days of receipt of the final order.

In addition to the above, Statoil also wishes to inform PHMSA that the pipeline assets at issue were transferred from Statoil Oil & Gas LP to Statoil Pipelines LLC, effective January 1, 2016. Accordingly, Statoil Pipelines LLC was the responsible owner/operator of these facilities at the time of PHMSA's inspections in 2016 and is also the current owner/operator of these facilities. Statoil is in the process of updating the PHMSA database to reflect this change, and requests that all communication going forward be directed to:

Ronnie Speer
Principal DOT Pipeline Compliance
DPUSA SSU SRC REG
6300 Bridge Point Parkway, Bldg 2, Suite 100

Confidential Business Information - Exempt from disclosure under the Freedom of Information Act (FOIA)

Austin, TX 78730
Mobile: +1 979 203 4248
Email: rspce@statoil.com

Sincerely,

A handwritten signature in black ink, appearing to read 'C. O'Brien', is written over a horizontal line.

Charles O'Brien
Managing Counsel
Statoil Pipelines LLC

cc: Frederick Beck, Senior Vice President, DPUSA
Ronnie Speer, Principal DOT Pipeline Compliance, DPUSA SSU SRC REG