

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 7, 2018

Jason Swaren
Vice President, Operations
Oasis Midstream Partners
1001 Fannin St. Suite 1500
Houston, TX 77002

3-2018-5012W

Dear Mr. Swaren:

From January 8 - 12, January 29 – February 2, February 12 – 16 and April 16 – 20, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your Johnsons Corner (JC) and City of Williston (COW) units in Watford City and Williston, ND.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violation(s) are:

1. §195.412 Inspection of rights-of-way and crossings under navigable waters.

(a) Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying or other appropriate means of traversing the right-of-way.

Oasis failed to inspect the surface conditions on or adjacent to each pipeline right-of-way at intervals not exceeding 3 weeks, but at least 26 times each year. Driving patrols were used from the beginning of operation (10/10/2016) on the Johnson's Corner line until 1/23/2017. After that time air patrols were used, the first taking place on 2/21/2017.

Records show that the driving patrols on 12/20/2016 and 12/30/2016 were not completed due to snow. One patrol is missing for the time between the last driving patrol and first air patrol as time period was greater than 3 weeks. Finally, there were only 25 patrols during 2017, which does not meet the 26 required. The 2017 patrols consisted of 2 driving patrols and 23 air patrols.

2. §195.452 Pipeline integrity management in high consequence areas.

(a)

(b) *What program and practices must operators use to manage pipeline integrity? Each operator of a pipeline covered by this section must:*

(5) Implement and follow the program.

Oasis failed to follow its integrity management program (IMP). Specifically, Oasis failed to perform an IM effectiveness review as required by regulations and its procedures. Oasis procedures required an effectiveness review even though it had only operated one year.

3. §195.452 Pipeline integrity management in high consequence areas.

(a)

(i) *What records must an operator keep to demonstrate compliance? (1) An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At a minimum, an operator must maintain the following records for review during an inspection:*

(ii) Documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program listed in paragraph (f) of this section.

Oasis failed to maintain records to demonstrate compliance with Part 195, Subpart F. Specifically, Oasis failed to provide records to indicate that preventive and mitigative measures have been considered and implemented.

4. §195.452 Pipeline integrity management in high consequence areas.

(a)

(l) What records must an operator keep to demonstrate compliance?

(1) An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At a minimum, an operator must maintain the following records for review during an inspection:

(ii) Documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program listed in paragraph (f) of this section.

Oasis failed to maintain records to demonstrate compliance with Part 195, Subpart F. Specifically, Oasis failed to show adequate documentation to support the decisions, analyses, and action taken to implement and evaluate each element of the integrity management program.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in Oasis Midstream Partners being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2018-5012W**. 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).

Sincerely,

Allan C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration