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October 3, 2018

Via Email and via Federal Express

Mr. Allan Beshore,
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration (PHMSA)
901 Locust Street, Suite 462
Kansas City, Missouri 64106

Mr. Harold Winnie
Project Manager, Central Region
Pipeline and Hazardous Materials Safety Administration (PHMSA)
901 Locust Street, Suite 462
Kansas City, Missouri 64106

RE: Notice of Probable Violation and Proposed Civil Penalty
Hawthorn Oil Transportation
CPF 3-2018-6002

Dear Mr. Beshore and Mr. Winnie:

This letter contains the responses, comments and notice of contest with an explanation of Hawthorn Oil Transportation (Hawthorn) to the Notice of Probable Violation and Proposed Civil Penalty received on September 6, 2018. In searching our records, we have found documents that were not presented during the field audit and which we believe are relevant. Based on the information contained herein and the materials being presented, Hawthorn respectfully requests that the Administration reduce, if not fully eliminate, the proposed penalties set forth in the Notice of Probable Violation and Proposed Civil Penalty. Hawthorn's responses, comments and notice of contest with an explanation are as follows:

Probable violation #1 – 49 CFR 194.107(c)(1)(ix) General response plan requirements

Response: Hawthorn is producing documentation related to the following emergency drills during 2010-2013:

9/10/12 – oil spill drill (see attached meeting description and sign-in sheet)

10/24/12 - suspicious object exercise (see attached email string and exercise text)

12/4/13 – fire drill (see attached email string)

Probable violation #2 – 49 CFR 195.61(b) – National Pipeline Mapping System

Response: Although Hawthorn has not yet located records indicating that the data was submitted in 2013 or 2015, it notes that the data was properly submitted in 2014, 2016, 2017 and 2018. Additionally, because the pipeline has not changed since original construction downstream of the pump station, any omission in submitting data did not result in inaccurate data within the NPMS database.

Probable violation #3 – 49 CFR 195.262(d) Pumping equipment

Response: Hawthorn appreciates the Administration acknowledging that the fences were promptly relocated to be the proper distance from the pump stations thereby resolving any issue related to this item.

Probably violation #4 – 49 CFR 195.403(b)(1) Emergency Response Training

Response: Attached are sign-in sheets¹ demonstrating that emergency response training was conducted during 2014, 2015 and 2016. These documents are in addition to the Active Learner training records that were presented at the time of the audit.

2014 – March 11 and 18, June 10, August 13, September 10 and 23, October 13 and 23

2015 – March 17, 19, 24-26, 31 and April 2, 9

2016 – March 14, 16, 21-23

Probable violation #5 – 49 CFR 195.440(c) Public awareness

Response: Hawthorn had developed and implemented a Public Awareness Program (PAP), and was sponsoring public awareness programs in Mountrail County from 2010 onward in conjunction with the Pipeline Association for Public Awareness and the North Dakota Pipeline Association. Hawthorn reviewed the PAP annually, and PHMSA inspectors reviewed annual assessment documentation demonstrating compliance for 2012, 2015 and 2016. For the years 2013 and 2014, we offer the revision log of the PAP as a means of demonstrating that the PAP was reviewed and updates were made. Additionally, we are producing the 2013 PAP Business Reply Card (BRC) effectiveness measurement review and the April 2015 multi-year assessment of the PAP covering 2011-2014, which were conducted by EnerTech, a third party firm specializing in API RP 1162. Attached are copies of the PAP, the 2013 BRC review by EnerTech and the April 2015

¹The sign-in sheet format for some of the training sessions was a pre-printed list so personnel who did not attend (and sign-in) on a particular date may have attended another scheduled session on a different date and/or a make-up session. Additionally, the pre-printed list contains all EOG Resources personnel in the Stanley, North Dakota area (including personnel related to upstream operations) and is not limited to pipeline personnel working for Hawthorn (an EOG Resources subsidiary).

Enertech assessment (without the voluminous Appendix A). If you would like a copy of Appendix A, please advise.

Probable violation #6 – 49 CFR 195.507(a)(4) Recordkeeping

Response: Hawthorn appreciates the Administration acknowledging that the qualification methods documentation has been included in the qualification records from 2016 onward thereby resolving any issue related to this item.

CONCLUSION

In conclusion, and based on the foregoing, Hawthorn respectfully requests that the Administration consider this information and the enclosed documents and find that Hawthorn has complied with and/or not violated the regulations cited and substantially reduce, if not wholly eliminate, the penalty amounts proposed in the Notice of Probable Violation and Proposed Civil Penalty. Additionally, to the extent that the Administration believes that more information regarding the materials presented and/or the matters discussed is needed to establish a reduction or elimination of the proposed penalties, Hawthorn would be pleased to meet with the Administration.

Sincerely,



Michael D. Mitchell

MDM/kk
Enclosures via Federal Express only