NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 4, 2007

Mr. Wes Christensen
Sr. Vice President of NGL Pipelines
Oneok NGL Pipeline L.P.
PO Box 29
Medford, Oklahoma 73759

CPF 4-2007-5037M

Dear Mr. Christensen:


On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Oneok's plans or procedures, as described below:

1. §195.402 Procedural manual for operations, maintenance, and emergencies.
   
   (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

   §195.403 Emergency Response Training.
(b) At the intervals not exceeding 15 months, but at least once each calendar year, each operator shall:

(2) Make appropriate changes to the emergency response training program as necessary to ensure that it is effective.

Oneok's procedures need to specify that appropriate changes will be made to the emergency response training program as necessary after an annual review.

2. §195.402 Procedural manual for operations, maintenance, and emergencies.

(c) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:
(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

A. §195.230 Welds: Repair or removal of defects.

(a) Each weld that is unacceptable under §195.228 must be removed or repaired. Except for welds on an offshore pipeline being installed from a pipe lay vessel, a weld must be removed if it has a crack that is more than 8 percent of the weld length.

Oneok's procedures need to specify that welds which are visually inspected and/or non destructively tested and found unacceptable as determined by the standards in Section 9 of API 1104 (19th Edition) must be repaired or removed.

B. §195.428 Overpressure safety devices and overfill protection systems

(a) Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

Oneok's procedures need to specify that each pressure limiting device, relief valve, pressure regulator, or other items of pressure control equipment will be tested and inspected to determine that it is functioning properly, in good mechanical condition, has adequate capacity, and is reliable.

C. §195.559 What coating material may I use for external corrosion control?

Coating material for external corrosion control under Sec. 195.557 must--
(a) Be designed to mitigate corrosion of the buried or submerged pipeline;
(b) Have sufficient adhesion to the metal surface to prevent under film migration of moisture;
(c) Be sufficiently ductile to resist cracking;
(d) Have enough strength to resist damage due to handling and soil stress;
(e) Support any supplemental cathodic protection; and
(f) If the coating is an insulating type, have low moisture absorption and provide high electrical resistance.

Oneok's procedures need to reference their Coating Material Specifications.

D. §195.561 When must I inspect pipe coating used for external corrosion control?

(a) You must inspect all external pipe coating required by Sec. 195.557 just prior to lowering the pipe into the ditch or submerging the pipe.
(b) You must repair any coating damage discovered.

Oneok's procedures need to reference electronic coating inspection (jeeping) procedures located in their Construction Guidelines.

E. §195.567 Which pipelines must have test leads and what must I do to install and maintain the leads?

(b) Installation. You must install test leads as follows:

(1) Locate the leads at intervals frequent enough to obtain electrical measurements indicating the adequacy of cathodic protection.
(2) Provide enough looping or slack so backfilling will not unduly stress or break the lead and the lead will otherwise remain mechanically secure and electrically conductive.
(3) Prevent lead attachments from causing stress concentrations on pipe.
(4) For leads installed in conduits, suitably insulate the lead from the conduit.
(5) At the connection to the pipeline, coat each bared test lead wire and bared metallic area with an electrical insulating material compatible with the pipe coating and the insulation on the wire.

Oneok's procedures need to reference their Cathodic Protection Test Station Drawing which specifies requirements for installation of test leads.

F. §195.569 Do I have to examine exposed portions of buried pipelines?

Whenever you have knowledge that any portion of a buried pipeline is exposed, you must examine the exposed portion for evidence of external corrosion if the pipe is bare, or if the coating is deteriorated. If you find external corrosion requiring corrective action under Sec. 195.585, you must investigate circumferentially and longitudinally beyond the exposed portion (by visual examination, indirect method, or both) to determine
whether additional corrosion requiring remedial action exists in the vicinity of the exposed portion.

Oneok’s procedures need to specify that if external corrosion is found requiring corrective action, the pipe must be investigated circumferentially and longitudinally beyond the exposed portion to determine whether additional corrosion requiring remedial action exists in the vicinity of the exposed portion.

G. §195.581 Which pipelines must I protect against atmospheric corrosion and what coating material may I use?

(a) You must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.
(b) Coating material must be suitable for the prevention of atmospheric corrosion.
(c) Except portions of pipelines in offshore splash zones or soil-to-air interfaces, you need not protect against atmospheric corrosion any pipeline for which you demonstrate by test, investigation, or experience appropriate to the environment of the pipeline that corrosion will-

(1) Only be a light surface oxide; or
(2) Not affect the safe operation of the pipeline before the next scheduled inspection.

Oneok’s procedures need to reference Oneok NGL Pipeline Specification for External Coating of Aboveground Piping.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled Response Options for Pipeline Operators in Compliance Proceedings. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.
If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 4-2007-5037M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

[Signature]

R. M. Seeley  
Director, Southwest Region  
Pipeline and Hazardous  
Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*