

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 6, 2009

Richard Hatchett
West Texas Gas Inc.
211 North Colorado
Midland, Texas 79701

CPF 4-2009-1018

Dear Mr. Hatchett:

On August 11-14, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected West Texas Gas (WTG) pipeline operations and maintenance in the Dalhart, Texas area.

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

1. §192.179 Transmission line valves.

(b) Each sectionalizing block valve on a transmission line, other than offshore segments, must comply with the following:

(1) The valve and the operating device to open or close the valve must be readily accessible and protected from tampering and damage.

At the time of inspection, numerous mainline block valve sites were not protected from tampering and damage. Specifically, Womble tap valve, Brewster check station, Perico regulator station, Carter block valve, El Paso check station and Kitchens block valve.

2. §192.479(a) Atmospheric corrosion control: General

(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

At the time of inspection, some regulator, meter stations and mainline block valves showed signs of active corrosion under pipe supports. Specifically, Valley Farms mainline valve assembly, Brewster meter station and Perico regulator station showed most severe signs of active corrosion under pipe resting on supports.

3. §192.749(d) Vault maintenance

(b) Each vault cover must be inspected to assure that it does not present a hazard to public safety.

At the time of inspection, the mainline valve vault box cover at the Kitchens valve site had no locking device to prevent unauthorized access to the vault.

4. §192.467 External corrosion control: Electrical isolation.

(a) Each buried or submerged pipeline must be electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit.

At the time of inspection, the operator was not monitoring for electrical isolation. WTG has cased road crossings at the PNM tap, Felts tap and Highway 56 crossings. During the inspection these sites were visited and the inspection records were checked. There was no documentation to indicate that the electrical isolation has ever been checked.

5. §192.481 Atmospheric corrosion control: Monitoring

(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows: If the pipeline is located: Onshore then the frequency of inspection is: At least once every 3 calendar years, but with intervals not exceeding 39 months.

At the time of inspection, WTG could not provide documentation that their above ground piping at their meter and regulator stations, tap valves and mainline valve assemblies had been inspected for atmospheric corrosion. Specific locations were Valley Farms meter station, Womble tap and Mainline valve assembly, Brewster check meter, Perico regulator station, Carter block valve, El Paso check station, Kitchens block valve, Byrd block valve and Rehm block valve. These sites were visited and evidence of atmospheric corrosion at soil to air interfaces and under pipe supports were apparent.

6. §192.705 Transmission lines: Patrolling

- (a) Each operator shall have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation.**
- (b) The frequency of patrols is determined by the size of line, the operating pressures, the class location, terrain, weather, and other relevant factors, but intervals between patrols may not be longer than prescribed in the following table:**
- (c) Methods of patrolling include walking, driving, flying or other means of traversing the right-of-way.**

Class location of line	Maximum interval between patrols	
	At highway and railroad crossings	At all other places
1, 2	7 ½ months; but at least twice each calendar year	15 months; but at least once each calendar year
3	4 ½ months; but at least four times each calendar year	7 ½ months; but at least twice each calendar year
4	4 ½ months; but at least four times each calendar year	4 ½ months; but at least four times each calendar year

At the time of inspection, WTG could not provide documentation that extra patrolling as required by code had ever occurred at the PNM tap, Felts tap, and Highway 56 road crossing. WTG performs an annual patrol using gas detection equipment via driving and walking, but could not furnish evidence of patrolling at these sites twice a year, not to exceed 7 ½ months.

Proposed Compliance Order

With respect to item 1-6 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to West Texas Gas Inc.. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

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.

In your correspondence on this matter, please refer to **CPF 4-2009-1018** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to West Texas Gas a Compliance Order incorporating the following remedial requirements to ensure the compliance of West Texas Gas with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to the inadequate protection from external damage of mainline valves, WTG will:
 - a. Provide external barriers to provide adequate protection from external forces at the following valve sites: Womble Tap valve, Brewester check meter station, Perico regulator station, Carter block valve, El Paso check station and Kitchens block valve.
 - b. Submit evidence that all external barriers have been installed at each valve location.
2. In regard to Item Number 2 of the Notice pertaining to the inadequacy of atmospheric corrosion control, WTG will:
 - a. Review and mitigate the atmospheric corrosion found on the above ground piping at the following sites: Valley Farms mainline valve assembly, Brewester meter station and Perico regulator station.
 - b. Submit evidence that the atmospheric corrosion has been mitigated at each site.
3. In regard to Item Number 3 of the Notice pertaining to the lack of adequate security measures to prevent access by the public WTG will:
 - a. Review and mitigate the inadequacy of security on the valve box cover at the Kitchens block valve site.
 - b. Submit evidence that the inadequate security has been mitigated at the Kitchens block valve box cover.
4. In regard to Item Number 4 of the Notice pertaining to electrical isolation of underground metallic structures, WTG will:
 - a. Install and maintain a test station on all cased road and railroad crossings.
 - b. Submit documentation of electrical isolation at all cased road and railroad crossings
5. In regard to Item Number 5 of the Notice pertaining to monitoring for evidence of atmospheric corrosion, WTG will:
 - a. Inspect each pipeline or portion of pipeline that is exposed to the atmosphere immediately and every three (3) years not to exceed thirty-nine (39) months thereafter.

- b. Submit documentation of atmospheric corrosion survey and remedial measures taken.
- 6. In regard to Item Number 6 of the Notice pertaining to their pipeline patrolling program, WTG will:
 - a. Follow written pipeline patrol procedures to ensure the correct number of patrols are accomplished.
 - b. Provide documentation that pipeline patrols have been completed.
- 7. WTG shall complete the items above within 60 days after receipt of the Final Order.
- 8. West Texas Gas Inc.(WTG) shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. Costs shall be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.