

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 4, 2016

Mr. Michael Pearson
Senior Vice President, Technical Services
Magellan Pipeline Company, L.P.
P.O. Box 22186
Tulsa, OK 74172

CPF 4-2012-5010

Dear Mr. Pearson:

On various dates in 2010 and 2011, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code conducted inspections of the Magellan Pipeline, L.P., (Magellan, the Operator) Duncan to Ft. Smith, Tulsa, Barnsdall, Oklahoma City, Cimarron & Osage, Orion East, Orion West, Odessa to El Paso, Longhorn East, and Longhorn West pipeline units, the Tulsa, OK control center and O&M procedures.

As a result of the inspections, on March 23, 2012 a Notice of Probable Violation with Proposed Civil Penalties and Proposed Compliance Order was issued to Magellan Pipeline, L.P. (Magellan, the Operator) CPF 4-2012-5010. Magellan responded by letter on April 27, 2012, by requesting a hearing. Magellan also submitted a supplemental response on August 17, 2012 prior to the hearing. The hearing was held on August 28, 2012 at the PHMSA Southwest Region offices. Magellan submitted a Post-Hearing Brief dated October 29, 2012.

On September 2, 2014, PHMSA issued a Final Order that included a civil penalty of \$149,800 and a Compliance Order. Magellan responded to the Final Order with submissions on October 8, 2014 and March 6, 2015. PHMSA also performed field verifications of the Final Order in March 2015.

This letter is to inform you no further action is necessary and this case is now closed. Thank you for your cooperation.

Sincerely,

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