

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 13, 2017

Mr. Robert Shain  
Senior Vice President of Engineering  
Frontier Energy Services, LLC  
4200 E. Skelly Drive, Suite 400  
Tulsa, OK 74135-3256

**CPF 4-2017-5023W**

Dear Mr. Robert Shain:

During the weeks of November 30, 2015 and March 13, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Frontier Energy Services, LLC (Frontier, the Operator) Alpha Crude Connector pipeline project in Lea County, New Mexico.

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

1. **§195.228 Welds and welding inspection: Standards of acceptability.**
  - (a) **Each weld and welding must be inspected to insure compliance with the requirements of this subpart. Visual inspection must be supplemented by nondestructive testing.**

The Frontier Energy Services welding inspector failed to perform visual inspections of production welds as required by 49 CFR §195.228. During a PHMSA construction inspection on December 2, 2015, the PHMSA Inspector was observing production welding on the Alpha Crude Connector pipeline project and determined that the welding inspector did not perform any visual inspections of welds. The operator also had no inspection records to show that the visual inspections had been performed prior to PHMSA's inspection.

PHMSA's construction inspector observed field production welding in Lea County, NM and the Frontier welding inspector failed to inspect each weld-pass for defects and failed to ensure inter-pass cleaning was sufficient to eliminate slag entrapment. At the time of the inspection, the Welding Inspector did not have any equipment, such as a volt and current meter needed to check that the welds were performed according to the qualified welding procedure. In addition, there were no records to indicate that the inspector had performed visual inspections on previous field welds to ensure adherence to the welding procedure and the acceptability of welds per Section 9 of API Std. 1104 as required by Part 195.228.

After the above findings were presented to Frontier Energy Services by PHMSA, the operator made changes to their welding inspection procedure and replaced the Welding Inspector. The changes were confirmed during a follow-up field inspection on March 13-16, 2016.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$205,638 per violation per day the violation persists up to a maximum of \$2,056,380 for a related series of violations. For violation occurring between January 4, 2012 to August 1, 2016, 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. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 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 item identified in this letter. Failure to do so will result in Frontier Energy Services, LLC 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 4-2017-5023W**. 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,

Jon Manning  
Acting Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration