

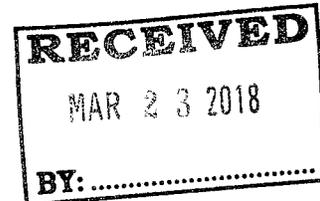


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March 21, 2018

VIA UPS OVERNIGHT

Frank Causey
Acting Director, SW Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074



**Re: Notice of Probable Violation and Proposed Civil Penalty
Case No. CPF-4-2018-5004**

Dear Mr. Causey:

DCP Operating Company, LP (DCP), on behalf of its affiliate DCP Black Lake Holdings, LP d/b/a Black Lake Pipeline Company, received the February 9, 2018 Notice of Probable Violation and Proposed Civil Penalty (NOPV) as a result of the PHMSA inspections conducted between June 25 and August 25, 2016 of the Black Lake pipeline system in Texas and Louisiana.

The attached document outlines DCP's response to the NOPV, DCP's proposed corrective actions and completion dates for each of the probable violations identified. A wire transfer for the penalty in the amount of \$44,200.00 was made on March 23, 2018.

Please don't hesitate to contact me or Barbara Palmer at 303-605-1737 if you have any questions or require further information.

Sincerely yours,
DCP MIDSTREAM

Alison E. Barry
Assistant General Counsel

Enclosures

For reference purposes, a copy of the PHMSA Notice of Probable Violation and Proposed Civil Penalty, Case No. CPF 4-2018-5004, dated February 9, 2018 is in **Attachment A**. Below are the issues identified by PHMSA and DCP's response and actions completed for each of the items in the Notice of Probable Violation and Proposed Civil Penalty.

Issue Identified

1. *DCP failed to demonstrate that the pipeline coating for the CrossTex Lateral constructed in June 2013 had been inspected just prior to lowering the pipe into the ditch to ensure compliance with § 195.561(a).*

Response

No inspection report or other documentation was found to demonstrate that the pipeline coating was inspected prior to lowering the pipe into the ditch.

Completed Actions

DCP revised the O&M procedure (D-8) Installation of Pipe in Ditch, to match the same criteria in DCP Corrosion Control Procedure 2160, Section 3. A Construction Job Book checklist was created to ensure that all the necessary information will be captured and retained for all new construction. The Job Books are not complete until the checklist with supporting documentation has been reviewed and signed off on by Operations, Engineering and Compliance. **(Attachments B & C)**

Issue Identified

2. *DCP Blacklake Pipeline failed to inspect the internal surface of (4) hot tap coupons for evidence of corrosion to ensure compliance with §195.579 (c). DCP was not able to provide documentation to support that an internal inspection was performed when DCP made (4) hot taps to connect the Hull Lateral, Ada Lateral, CrossTex Lateral and the Goldonna Lateral which were all connected to meter stations in 2013, 2014 and 2015.*

Response

No inspection reports for the hot taps conducted in 2013, 2014 and 2015 were found for the Hull Lateral, Ada Lateral, CrossTex Lateral and the Goldonna Lateral.

Completed Action

DCP revised the Hot Tap Checklist on the Hot Tap form to include inspection for internal corrosion, consistent with DCP Procedure CORR-3010. The Hot Tap form is used in conjunction with the Maintenance/Damage Report which also has a section to document internal corrosion. The two forms have been rolled out to all of Operations, Engineering and Pipeline Services Groups. **(Attachment D & E)**