



CERTIFIED MAIL – RETURN RECEIPT REQUESTED

December 10, 2020

Mary L. McDaniel  
Director, Office of Pipeline Safety  
PHMSA Southwest Region  
8701 S. Gessner, Suite 630  
Houston, TX 77074

Re: CPF 4-2020-009-NOA

Dear Ms. McDaniel:

Denbury Onshore, LLC (Denbury) is writing in response to the November 12, 2020, Notice of Amendment, received on November 13, 2020. The Notice of Amendment listed certain items of concern based upon an Operation and Maintenance Procedure (O&M) manual inspection conducted May 11, 2020 through July 29, 2020. As was discussed with your staff during the inspection process, Denbury is committed to the safe and compliant operation of its pipelines, and we appreciate your efforts in helping us to achieve this goal. Within this response, Denbury is providing acknowledgement of listed items and a plan of action concerning those items.

This response is organized in a similar format to the Notice of Amendment with reference to the number of each item of concern set forth in bold text below with the Denbury response immediately following.

**Item 1. §195.110 – External loads.**

**Denbury's O&M manual does not reference Section 419 of ASME/ANSI B31.4 concerning external loads as referenced in § 195.110. Denbury's O&M manual should be amended to reference Section 419 of AMSE/ANSI B31.4 with respect to anticipated external loads in providing for expansion and flexibility.**

Denbury acknowledges this item and will amend Section 3.3.1 of procedure *E1100 – Mechanical* to address this concern. When complete and approved using Denbury's Management of Change Process (MOC), an amended procedure will be submitted to PHMSA for review.

**Item 2. §195.110 – Transportation of pipe.**

**Denbury's procedure for transportation of pipe(s) is inadequate. Denbury's *Engineering Standards Manual* does not provide for the use of API RP 5LT when transporting pipe(s)**

by truck. Denbury provides references for API RP 5L1 and 5LW to transport pipe(s) by rail and marine vessels or barge, but does not provide a reference for API RP 5LT when transporting pipe(s) by truck. Denbury must amend its procedure to include API RP 5LT standards when transporting pipe(s) by truck.

Denbury acknowledges this item and will amend Section 31 of procedure *E0100 – Pipelines* to address this concern. When complete and approved using Denbury's MOC Process, an amended procedure will be submitted to PHMSA for review.

**Item 3. §195.262 – Pumping equipment**

Denbury's written procedures regarding adequate ventilation within pump stations buildings are inadequate. Section 17. *Heating, Ventilation, and Air Conditioning (HVAC) Requirements of Denbury's Engineering Design Manual (Section E0200)* is insufficient per § 195.262(a) due to the lack of reference to ventilation provided in pump station buildings to prevent the accumulation of hazardous vapors, and the lack of reference to warning devices for hazardous environments when entering enclosed pump station buildings. This section only references conformance to UBC, IBC, and ASHRAE, in addition to climate control. Denbury must amend its procedures regarding adequate ventilation within pump stations buildings to address the requirements of § 195.262(a).

Denbury acknowledges this item and will amend Section 17 of procedure *E0200 – Pump Stations* to address this concern. When complete and approved using Denbury's MOC Process, an amended procedure will be submitted to PHMSA for review.

**Item 4. §195.402(c)(7) – Maintenance and normal operations (Starting up and shutting down...)**

Denbury's written procedures *O&M 0502, High-Pressure Plant Start-Up Procedures of Denbury's O&M Manual, Sections 2. Scope and 3. Core Information and Requirements* are inadequate per § 195.402(c)(7) as they do not provide written shutdown procedures, but only start-up procedure steps. The procedures must be amended to ensure operation within limits prescribed by § 195.406 during startup and shutdown and should address the following:

1. Inspecting all over-pressure protection devices required for the start-up of a new pipeline, including the testing of set pressures and the checking of capacities, if necessary;
2. Establishing communication with field personnel and control personnel; and
3. Controlling the flow rate when pressurizing the pipeline and monitoring pressures until normal operation is established.

Denbury acknowledges this item and will amend Section 2 of procedure *OM0223 – Shutouts, Pipelines, and Pipeline Facilities* to address this concern. When complete and approved using Denbury's MOC Process, an amended procedure will be submitted to PHMSA for review.

**Item 5. §195.403 – Emergency response training.**

Denbury's *O&M, Emergency Response, Section 4. Training* procedures are inadequate as they do not provide a process to require and verify that supervisors are trained and maintain a thorough knowledge of the emergency response procedures for which they are responsible. Denbury must amend its procedures to provide a process for supervisors to be

**trained and maintain the necessary knowledge of the emergency response procedures established under § 195.402.**

Denbury acknowledges this item and will amend Section 4.1.2 of procedure *OM1900 – Emergency Response* to address this concern. When complete and approved using Denbury's MOC Process, an amended procedure will be submitted to PHMSA for review.

**Item 6. §195.573 – What must I do to monitor external corrosion control?**

**Denbury's O&M manual, *External Corrosion Control for Buried or Submerged Pipeline*, Section 3.4.7 *Remedial Action* is inadequate because it does not contain procedures for responding to deficiencies found by the required monitoring per § 195.573(e).**

**Denbury must amend its procedures to include a process and time frame for responding to deficiencies identified during external corrosion control monitoring. The amended procedures should include a minimum of: (1) a time frame for evaluating data and determining a course of action; and (2) a time frame for any new installation to be operational and cathodic protection to be in the adequate range. These time frames should consider the population density and environmental concerns of the area that could potentially be affected by a release of a hazardous liquid.**

Denbury acknowledges this item and will amend Section 3.4.7 of procedure *OM0903 – External Corrosion Control for Buried or Submerged Pipelines* to address this concern. When complete and approved using Denbury's MOC Process, an amended procedure will be submitted to PHMSA for review.

Denbury appreciates your consideration of the information in this letter and we believe that we have begun to take adequate steps to resolve the items listed in CPF-4-2020-009-NOA. Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,



David Sheppard  
SVP – Operations  
Denbury Onshore, LLC

cc: Juan Mendoza, Operations Supervisor, Office of Pipeline Safety, Southwest Region  
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