



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

12300 W. Dakota Ave., Suite 110  
Lakewood, CO 80228

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 9, 2007

Mr. Schoffmann  
Marathon Oil Company  
3201 C Street, Suite 800  
Anchorage, Alaska 99503

SENT TO COMPLIANCE REGISTRY  
Hardcopy  Electronically   
# of Copies 1 / Date 4/10/07

**CPF 5-2007-0013W**

Dear Mr. Schoffmann,

On June 26, 2006, through June 29, 2006, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your natural gas pipelines in Kenai, Alaska.

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) is:

**1. 192.749 Vault maintenance.**

**(a) Each vault housing pressure regulating and pressure limiting equipment, and having a volumetric internal content of 200 cubic feet (5.66 cubic meters) or more, must be inspected at intervals not exceeding 15 months, but at least once each calendar year, to determine that it is in good physical condition and adequately ventilated.**

**(b) If gas is found in the vault, the equipment in the vault must be inspected for leaks, and any leaks found must be repaired.**

**(c) The ventilating equipment must also be inspected to determine that it is functioning properly.**

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

Valve vault inspection records could not be produced for the Kenai Gas Field to Nikiski Natural Gas Transmission Line for the 2005 inspection period. Our inspector did note that the valve maintenance records for the valves contained within the vaults were inspected and found satisfactory. Also, during the PHMSA field inspection, nine vaults were inspected and found to be in satisfactory condition.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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(s) identified in this letter. Failure to do so will result in Marathon Oil Company 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 5-2007-0013W**. 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,



Chris Hoidal  
Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 B. Flanders (#116676)