

FEB 26 2010

Mr. David L. Kyle
Chairman
ONEOK, Inc.
100 West 5th Street
Tulsa, OK 74103

Re: CPF No. 5-2007-5043

Dear Mr. Kyle:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and finds that Bear Paw Energy, LLC, has completed the actions specified in the Notice to comply with the pipeline safety regulations. Therefore, this case is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, Director, Western Region, OPS

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7009 1410 0000 2472 9956]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)	
In the Matter of)	
)	
Bear Paw Energy, LLC,)	CPF No. 5-2007-5043
a subsidiary of ONEOK, Inc.,)	
)	
Respondent.)	
_____)	

FINAL ORDER

Between April 25 and 27, 2006, and on June 13 and July 18, 2007, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of the facilities and records of Bear Paw Energy, LLC (Bear Paw or Respondent),¹ at its Grass Lands Complex in North Dakota. That included an inspection of the 11.2-mile-long Riverview Pipeline, which transports highly volatile liquids from the Grass Lands Complex to a storage tank in Sydney, Montana.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Bear Paw, by letter dated December 11, 2007, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.310 and proposed ordering the company to take certain measures to correct the alleged violation.

Bear Paw received an extension of time and responded to the Notice by letter dated May 27, 2008. Respondent did not contest the allegation of violation, but provided information on the corrective actions it had taken. Bear Paw did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, Bear Paw did not contest the allegation in the Notice that it violated 49 C.F.R. Part 195, as follows:

¹ PHMSA's records indicate that Bear Paw became a wholly-owned subsidiary of ONEOK, Inc., in June 2006.

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.310, which states:

§ 195.310 – Records.

(a) A record must be made of each pressure test required by this subpart, and the record of the latest test must be retained as long as the facility tested is in use.

(b) The record required by paragraph (a) of this section must include:

- (1) The pressure recording charts;
- (2) Test instrument calibration data;
- (3) The name of the operator, the name of the person responsible for making the test, and the name of the test company used, if any;
- (4) The date and time of the test;
- (5) The minimum test pressure;
- (6) The test medium;
- (7) A description of the facility tested and the test apparatus;
- (8) An explanation of any pressure discontinuities, including test failures, that appear on the pressure recording charts;
- (9) Where elevation differences in the section under test exceed 100 feet (30 meters), a profile of the pipeline that shows the elevation and test sites over the entire length of the test section; and
- (10) Temperature of the test medium or pipe during the test period.

The Notice alleged that Respondent violated section 195.310(b) because the most recent pressure test records for the Riverview Pipeline did not include all of the information required by that regulation. In particular, the Notice alleged that Bear Paw only had one record on file for the Riverview Pipeline at the time of the inspection—i.e., a pressure/temperature recording chart from a 24-hour test performed on August 22 and 23, 1986—and that said record did not provide the test instrument calibration data, the minimum test pressure, the test medium, a description of the facility tested including test apparatus, an explanation of any pressure discontinuities, including test failures, that appear on the pressure recording charts, and where elevation differences in the section under test exceed 100 feet, a profile of the pipeline that shows the elevation and test sites over the entire length of the test section. As Respondent has not contested this allegation, I find that Bear Paw violated 49 C.F.R. § 195.310(b) by failing to include all of the required information on its latest pressure test record for the Riverview Pipeline.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to item 1 in the Notice. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established

under chapter 601. The Director has indicated that Respondent has taken the following actions specified in the proposed compliance order:

Bear Paw performed an 8-hour hydrostatic pressure test of the Riverview Pipeline on April 29, 2008, and provided the Director, Western Region, OPS, with the records from that test on May 27, 2008. Respondent's documents included records of the test instrument calibration data, the minimum test pressure, the test medium, a description of the facility tested including test apparatus, and a profile of the pipeline that shows the elevation and test sites over the entire length of the test section. Bear Paw also submitted costs associated with the pressure test on April 29, 2008.

Accordingly, I find that these actions comply with the requirements of the Proposed Compliance Order and therefore are not included in this Order.

The terms and conditions of this Final Order are effective upon receipt.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued