



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 4, 2009

Mr. Duane Dudics, P.E.
HES Manager
Vintage Production California LLC
9600 Ming Ave., Suite 300
Bakersfield, CA 93311

CPF 5-2009-0014M

Dear Mr. Dudics:

On February 9-10, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Vintage Production California LLC's (Vintage) Operator Qualification Program in Bakersfield, California.

On the basis of the inspection, PHMSA has identified the apparent inadequacies within its Operator Qualification plan and implementing procedures, as described below:

1. **§192.805 Qualification program**

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(b) Ensure through evaluation that individuals performing covered tasks are qualified;

Vintage specified its covered tasks as both Critical or Non-Critical. Critical tasks are performed by qualified individuals only, and non-critical tasks could be performed by non-qualified individuals under the direction and observation by a qualified individual. This level of oversight, however, did not explicitly include contractors and their subcontractors. Vintage needs to expand the provision for other entities performing covered tasks on behalf of Vintage to ensure they are all evaluated and qualified per its OQ program requirements.

2. §192.805 Qualification program

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(i) After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C. Chapter 601 if the operator significantly modifies the program after the Administrator or state agency has verified that it complies with this section.

The PHMSA Office of Pipeline Safety (OPS) requires notification of any significant changes to an operator's OQ Program. Vintage is referencing an old OPS address in their OQ plan. Written notifications should be sent to the Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, PHP-10, 1200 New Jersey Avenue SE, Washington, DC 20590.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 60 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to CPF 5-2009-0014M and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in cursive script, appearing to read "C. Hoidal".

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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*

cc: PHP-60 Compliance Registry
PHP-500 H. Monfared (#124330)