

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 21, 2009

Mr. Danny Rea
Vice President of Midstream
Anadarko Petroleum Corporation
1201 Lake Robbin Drive
The Woodlands, TX 77380

CPF 5-2009-5031W

Dear Mr. Rea:

On June 15-19, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Salt Creek CO₂ Pipe Line near Casper, Wyoming.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:

1. §195.420 Valve maintenance.

- (b) Each operator shall, at intervals not exceeding 7 1/2 months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly.**

Per §195.420(b), the operator must inspect and operate each mainline valve at intervals not exceeding 7-1/2 months. During the inspection, Anadarko Petroleum Corporation's records pertaining to the valve inspection frequency between 2008 and 2009 exceeded 7 ½ months for the

ten (10) mainline valves. Anadarko's valve maintenance records reveal that the inspection interval for the ten (10) mainline valves exceeded 7-1/2 month intervals by 50 to 52 days.

Mainline (Isolation) Valves 195.420(b)	2 nd 2008 Inspection Date	Inspection Due Date (7 1/2 months)	1 st 2009 Inspection Date	Days Late
MLV #1 (Site B)	7-09-08	2-23-09	4-15-09	51
MLV #2	7-09-08	2-23-09	4-15-09	51
MLV #3	7-08-08	2-22-09	4-15-09	52
MLV #4	7-10-08	2-24-09	4-16-09	51
MLVB #5 (Site C)	7-14-08	2-28-09	4-21-09	52
MLV #6 (Site C)	7-14-08	2-28-09	4-21-09	52
MLV #7	7-14-08	2-28-09	4-21-09	52
MLV #8 (Site D)	7-16-08	3-02-09	4-21-09	50
MLV #9 (Site D)	7-16-08	3-02-09	4-21-09	50
MLV #10	7-15-08	3-01-09	4-21-09	51

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 Anadarko Petroleum Corporation 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 5-2009-5031W**. 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. Brown (#123994)