



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

June 8, 2010

Mr. Ian Scoble
Director, Refining Americas
ExxonMobil Refining and Supply Company
3225 Gallows Road, Room 6B2112
Fairfax, VA 22037

CPF 5-2010-5019W

Dear Mr. Scoble:

On July 31, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected ExxonMobil's Breakout Tank TK-002 at the ExxonMobil Refinery in Billings, Montana.

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

§ 195.401 General requirements.

(b) Whenever an operator discovers any condition that could adversely affect the safe operation of its pipeline system, it shall correct it within a reasonable time. However, if the condition is of such a nature that it presents an immediate hazard to persons or property, the operator may not operate the affected part of the system until it has corrected the unsafe condition.

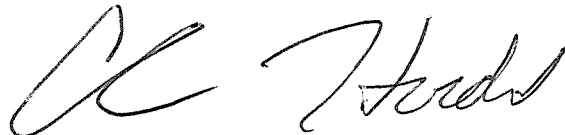
During the field inspection of Breakout Tank TK-002, it was noted that the water draw valve near the tank mixer was not in good working condition, and it was leaking crude oil

onto the ground. Upon discovery, ExxonMobil initiated actions to repair the leaking valve and my staff was later notified that the valve had been successfully repaired. ExxonMobil should take the necessary steps to ensure that all equipment associated with your Breakout Tank TK-002 is repaired as soon as possible when it discovers that it is not functioning properly.

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 violation. 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 identified in this letter. Failure to do so will result in ExxonMobil 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 5-2010-5019W**. 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,

A handwritten signature in black ink, appearing to read "Chris Hoidal". The signature is fluid and cursive, with the first name "Chris" written in a larger, more prominent script than the last name "Hoidal".

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

cc: PHP-60 Compliance Registry
PHP-500 M. Petronis (#123996)