

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 20, 2011

Mr. Jay Prudhomme
Vice President
Merit Energy Company
1327 Noel Road, Suite 500
Dallas, TX 75240

CPF 5-2010-5029M

Dear Mr. Prudhomme:

On May 3 through May 6, 2010, a representative from the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to chapter 601 of 49 United States Code, conducted an on-site pipeline safety inspection of Merit Energy Company's (Merit) operation and maintenance procedures in Casper, Wyoming. As a result of the inspection, Merit was issued a Notice of Amendment on October 21, 2010, which proposed amendment of your operations and maintenance procedures.

Merit responded with amended procedures on December 9, 2010, May 4, 2011, and June 17, 2011. My staff reviewed the amended procedures, and it appears that the inadequacies outlined in this Notice of Amendment have been corrected.

This letter is to inform you no further action is necessary and this case is now closed. Thank you for your cooperation.

Sincerely,

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

cc: PHP-60 Compliance Registry
PHP-500 G. Davis (#128461 and #128464)