

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 11, 2011

Mr. Chris Williamson  
Sr. Vice President of Operations  
Seal Beach Processing Joint Venture  
c/o Breitburn Energy Company LP  
600 Travis St., Suite 4800  
Houston, TX 77002

**CPF 5- 2011-0015W**

Dear Mr. Williamson:

On June 7, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Seal Beach Gas Processing Joint Venture intrastate natural gas transmission and gathering pipelines in Seal Beach, California.

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. §192.9 What requirements apply to gathering lines?**

...

**(d) Type B lines. An operator of a Type B regulated onshore gathering line must comply with the following requirements:**

- (1) If a line is new, replaced, relocated, or otherwise changed, the design, installation, construction, initial inspection, and initial testing must be in accordance with the requirements of this part applicable to transmission lines.**

There were no records available at the time of the inspection concerning the design, installation, construction, initial inspection, and initial testing of the approximately 4500' of parallel 4" plastic gathering lines from the Hellman property to a point near Seal Beach Boulevard and Anchor Way. The Hellman Properties manager provided a set of drawings for review at the time of the field inspection, and stated that all records from the replacement project had been provided to the operator of the pipeline. Following the inspection, a reasonable amount of time was allowed for the records to be located, but no further pertinent material has been supplied.

Note: You are required to thoroughly document your program and compliance with respect to the Pipeline Safety Regulations, and records need to be made available for inspection.

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 identified in this letter. Failure to do so will result in the Seal Beach Processing Joint Venture 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 5-2011-0015W**. 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 J. Stahoviak (#132887)