

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 20, 2012

Mr. Ron McClain
Vice President, Operation & Engineering
SFPP, L.P.
500 Dallas Street, Suite 1000
Houston, TX 77002

**CPF 5-2011-5012
Closure Letter**

Dear Mr. McClain:

On December 14, 2011, the Pipeline and Hazardous Materials Safety Administration (PHMSA) issued to Santa Fe Pacific Pipeline, L.P. (SFPP) a Final Order in the above-referenced case. The Final Order included a Compliance Order to take remedial actions on the portions of the LS 69, LS99, and LS 104 pipelines located inside the Chevron Refinery grounds. Specifically, SFPP was to remediate atmospheric corrosion and evaluate dents on these pipelines.

Kinder Morgan and PHMSA ultimately determined that relocating the DOT overpressure protection and demarcation block valves for these pipelines outside the Chevron refinery fence would be the prudent option because it would eliminate the risk posed by two operators working on pipelines and piping in close proximity to each other. Chevron would then take sole ownership and responsibility for the piping—which would now be unregulated—inside the Chevron refinery. The DOT overpressure devices and block valves were relocated and inspected by PHMSA's representative, the California State Fire Marshal on November 15, 2012, and it has been determined that you have complied with the terms of this Order.

Accordingly, this case is now closed and no further action is contemplated with respect to the matters involved in this case. Thank you for your cooperation in this matter.

Sincerely,

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