

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 7, 2012

Mr. Dennis Newman
HES Manager
Vintage Production California, LLC
900 Ming Avenue, Suite 300
Bakersfield, CA 93311

CPF 5-2012-1022W

Dear Mr. Newman:

On March 9, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Public Awareness Program Effectiveness at your office in Bakersfield, 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 items inspected and the probable violation is:

1. §192.616 Public Awareness

- (i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.**

Vintage Production California LLC did not have program documentation of annual audits from 2007 through 2011. Per 49 CFR §192.616(c), the operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

API RP 1162, Section 8.3 guidance states, “*Has the operator performed an audit or review of its program implementation annually since it was developed? If not, did the operator provide justification in its program or procedural manual?*” Vintage Production California LLC did not have documentation of annual audits from 2007 through 2011. Vintage Production California LLC only had documentation for 2012.

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 Vintage Production California LLC 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 5-2012-1022W**. 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 T. Finch (#136119)