

WARNING LETTER

VIA UPS 2ND DAY AIR: 1Z WR2 588 02 9652 1472

October 24, 2012

Mr. Timothy Friesenhahn
Vice President of Operations Permian Division
XTO Energy Inc.
810 Houston St.
Fort Worth, Texas 76102

CPF 5-2012-6017W

Dear Mr. Friesenhahn:

On October 1, 2012 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected XTO Energy Inc.'s (XTO) Public Awareness Program in Anchorage, Alaska via teleconference.

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

1. §195.440 Public awareness

(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.

XTO Energy Inc. (XTO) did not evaluate the effectiveness of its public awareness program as specified in API RP 1162, Section 8.4. Specifically, XTO did not evaluate the percentage of each intended audience reached with the desired messages, the percentage of each stakeholder audience understanding XTO's program messages, the desired behaviors by each stakeholder audience, or the bottom line results. Neither did XTO justify why these evaluations were not conducted.

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 items identified in this letter. Failure to do so will result in XTO Energy Inc. 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 5-2012-6017W** and send all documents to our office at 188 W. Northern Lights Blvd., Suite 520, Anchorage, AK 99503. 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,

Dennis Hinnah
Deputy Director, Western
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 B. Flanders (#139754)
Richard Golemon, XTO DOT Compliance Coordinator