

## **WITHDRAWAL of NOTICE LETTER**

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

January 17, 2018

Mr. Ryan Lance  
Chairman and Chief Executive Officer  
ConocoPhillips  
600 North Dairy Ashford Road  
P.O. Box 2197  
Houston, Texas 77252-2197

**CPF 5-2017-0017**

Dear Mr. Lance:

On September 13, 2017, Oliktok Pipeline Company, a wholly owned subsidiary of ConocoPhillips, was issued a Notice of Probable Violation and Proposed Compliance Order (NOPV/PCO) letter for the case number referenced above. The Notice alleged that Oliktok Pipeline Company (OPC) violated 49 C.F.R. § 192.195 by failing to provide adequate protection against overpressure on the Oliktok Gas Pipeline (OPL). The Notice proposed to require OPC to make certain modifications to protect the OPL from unsafe operating pressures. Specifically, the Notice alleged that a remotely operated valve, ROV 9000, is located at the upstream end of the OPL. The valve was designed to “fail in place”, that is fail in its last position. In the event of a power loss to the valve’s actuator, the valve “fails in place” and becomes unable and incapable of responding to an overpressure situation.

ConocoPhillips responded to the NOPV/PCO in a letter dated October 11, 2017, offering information concerning modifications it had made to ROV 9000 and requesting that the NOPV/PCO be reduced to a warning. ConocoPhillips has provided PHMSA with documentation that a failsafe design has been implemented. PHMSA is satisfied that ConocoPhillips has addressed the probable violation alleged in the Notice. This letter

withdraws the NOPV/PCO. A follow-up Warning Letter will be issued addressing the issues at hand.

This letter is to inform you that PHMSA hereby withdraws the Notice and that the case is now closed.

Sincerely,

Kim West  
Acting Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 H. Marlowe (#148605)  
Mr. Scott Jepsen, President, Oliktok Pipeline Co.