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June 22, 2017

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Kim West
Acting Director, Western Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

Re: Clear Creek Gas Storage Facility, Uinta County, Wyoming
Notice of Amendment – CPF 5-2017-1008M
Warning Letter – CPF 5-2017-1006W
Letter of Concern – CPF 5-2017-1004C

Dear Ms. West:

An inspection of QEP Marketing Company's Clear Creek Gas storage facility occurred on August 17 through 21, 2015 by a PHMSA representative. As a result of the inspection, PHMSA identified several inadequacies detailed in three letters styled Notice of Amendment, Warning Letter, and Letter of Concern all dated May 26, 2017.

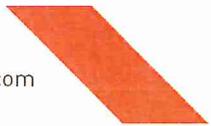
QEP appreciates the opportunity to respond to the concerns raised in the respective letters.

I. NOTICE OF AMENDMENT LETTER

1. QEP's O&M Manual needs to incorporate the Emergency Plan by reference or add the annual review requirement to the Emergency Plan.

Response: QEP Resources¹ has added a new section 19 to its O&M Manual to include the Emergency Plan requirements of 49 CFR 192.615. A copy of the new Emergency Plan section added to the O&M Manual is found on the thumb drive enclosed with this letter.

¹ Clear Creek Storage Company is owned by QEP Marketing Company. QEP Marketing Company is a wholly owned subsidiary of QEP Resources, Inc. For clarification, those documents found on the thumb drive enclosed with this letter referencing QEP Resources apply to the Clear Creek Gas Storage Facility.



2. The Emergency Plan needs to be amended to include procedures for the emergency shutdown or pressure reduction in any section of the pipeline system.

Response: The new Emergency Plan section of the O&M Manual includes procedures for the shutdown or pressure reduction in any section of the pipeline system as required in 49 CFR 192.615(a)(6). A copy of the new Emergency Plan section added to the O&M Manual is found on the thumb drive enclosed with this letter.

3. The O&M Manual needs to have a procedure requiring a periodic review of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found.

Response: QEP Resources has developed an Operator Qualification Program which requires a periodic review of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action when deficiencies are found. Requirements to periodically review the work done by operator and contract personnel are referenced in Section 1.7 of the O&M Manual. A copy of the Operator Qualification Program is found on the thumb drive enclosed with this letter.

4. The O&M Manual needs to have a procedure requiring a periodic review of operator personnel to determine the effectiveness of the procedures controlling normal operation and taking corrective action where deficiencies are found.

Response: QEP Resources has developed an Operator Qualification Program which requires a periodic review of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action when deficiencies are found. Requirements to periodically review the work done by operator and contract personnel are referenced in Section 1.7 of the O&M Manual. A copy of the Operator Qualification Program is found on the thumb drive enclosed with this letter.



II. WARNING LETTER

1. QEP's records indicate that an atmospheric corrosion survey was conducted in 2005 and 2008 but no documented records could be found that an atmospheric corrosion survey was conducted in 2011 or 2014. Records do document an atmospheric corrosion survey conducted in 2015. An atmospheric corrosion survey must be conducted as least every 3 calendar years but with intervals not exceeding 39 months.

Response: Documented records of the atmospheric corrosion monitoring required in 2014 were located after the inspection was completed. A copy of the inspection record is found on the thumb drive enclosed with this letter. Surveys were conducted in 2015 as noted above and in 2017.

2. An operator's manual must contain written procedures for conducting operations and maintenance activities and for emergency response. This manual must be reviewed and updated at intervals not exceeding 15 months, but at least once each calendar year. QEP's records indicated that an annual review of the operator's written procedures manual was conducted annually in the years 2005-2009 but not conducted in 2010 – 2014. An annual review was conducted in August 2015.

Response: QEP Resources's O&M Manual was updated in 2016 and again in 2017. A copy of the current version of the O&M Manual is found on the thumb drive enclosed with this letter.

III. LETTER OF CONCERN

1. No record that the insulation coating around an above-ground 6" injection/extraction pipeline was ever removed at low points every 2 to 3 years to check for external corrosion.

Response: QEP Resources has contracted with Eaton Inspection Services to conduct an initial inspection of the above-ground 6" injection/extraction line to inspect for external corrosion. The inspection will be completed on or before June 30, 2017. Repeat inspections of the line will be determined based on the findings of the inspection.



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Page 4

On the enclosed thumb drive please find the following documents in support QEP's responses: Operator Qualification Program, O&M Manual, and Inspection record/atmospheric corrosion record conducted in 2014.

Should you require additional information, please do not hesitate to contact the undersigned at the contact information on the letterhead page of this letter.

Sincerely,



Michael W. Miller
Director of Health, Safety, and Environment

DKP: MM/dsl
Enclosures

