

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 28, 2017

Mr. Al Walker
President
Anadarko Petroleum Corporation
1201 Lake Robbins Drive
The Woodlands, TX 77380

CPF 5-2017-6026W

Dear Mr. Walker:

On January 17 through 19, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your Wamsutter Crude Pipeline in Wamsutter, Wyoming.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violation(s) are:

- 1. §195.412 Inspection of rights-of-way and crossings under navigable waters.**
(a) Each operator shall, at intervals not exceeding three weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying or other appropriate means of traversing the right-of-way.

During the records review of the right-of-way inspections, it was noted that Anadarko Petroleum Corporation (APC) exceeded the three-week interval between November 9, 2015 and December 1, 2015.

2. **§195.432 Inspection of in-service breakout tanks.**
 - (b) **Each operator must inspect the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tanks according to API Std 653 (except section 6.4.3, *Alternative Internal Inspection Interval*) (incorporated by reference, *see* §195.3). However, if structural conditions prevent access to the tank bottom, its integrity may be assessed according to a plan included in the operations and maintenance manual under §195.402(c)(3). The risk-based internal inspection procedures in API Std 653, section 6.4.3 cannot be used to determine the internal inspection interval.**

During the records review of the in-service aboveground breakout tanks inspection, it was noted that the external tank inspection, dated August 2012, identified several areas (page 15 – nozzle leakage, page 15 – door sheet H, and page 16 – nozzles) that should either be repaired and/or monitored. No records were provided to demonstrate that the appropriate timing for repairs, monitoring, and/or maintenance activities were determined in accordance with API Standard 653.

3. **§195.404 Maps and records.**
 - (c) **Each operator shall maintain the following records for the periods specified:**
 - (3) **A record of each inspection and test required by this subpart shall be maintained for at least 2 years or until the next inspection or test is performed, whichever is longer.**

During the records review of the breakout tanks inspections, it was noted that APC was not able to provide any documentation as to when the last internal, out-of-service tank inspection was performed.

4. **§195.507 Recordkeeping.**
 - Each operator shall maintain records that demonstrate compliance with this subpart.**
 - (b) **Records supporting an individual's current qualification shall be maintained while the individual is performing the covered task. Records of prior qualification and records of individuals no longer performing covered tasks shall be retained for a period of five years.**

While reviewing the covered task of overfill protection devices, it was determined that APC's procedure for this covered task references API 510. When reviewing the API Standard, it was determined that the standards does not reference the overfill protection devices or overfill prevention alarm switches for atmospheric or low-pressure steel aboveground breakout tanks.

It appears that the records for performing overfill protection devices inspections in accordance with API Standard 653 were not maintained.

5. §194.117 Training

(a) Each operator shall conduct training to ensure that:

(1) All personnel know—

(i) Their responsibilities under the response plan.

During the records review of the response plan training, it was noted that APC's Facility Response Plan (FRP) states (Section 7.1, April 2014 Revision) that quarterly drills will review manned pipeline emergency procedures and qualified individual notifications. However, APC did not conduct the quarterly drill for the first quarter of 2016.

As of April 27, 2017, under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists up to a maximum of \$2,090,022 for a 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 Anadarko Petroleum Corporation 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 5-2017-6026W**. 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,

Dustin Hubbard
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 D. Fehling (#153719)