

January 7, 2020

Mr. G. Scott Pfoff
President and Chief Executive Officer
Amaroq Resources, LLC
4665 Sweetwater Boulevard, Suite 103
Sugar Land, Texas 77479

Re: CPF No. 5-2019-0011M

Dear Mr. Pfoff:

Enclosed please find the Order Directing Amendment issued in the above-referenced case. It makes findings of inadequate procedures and requires Amaroq Resources, LLC (formerly Aurora Exploration, LLC), amend certain emergency procedures. When the amendment of procedures is complete, as determined by the Director, Western Region, this enforcement action will be closed. Service of the Order Directing Amendment by certified mail is effective upon the date of mailing as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Dustin Hubbard, Director, Western Region, Office of Pipeline Safety, PHMSA

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)
In the Matter of)

Amaroq Resources, LLC,)

Respondent.)
_____)

CPF No. 5-2019-0011M

ORDER DIRECTING AMENDMENT

From August 20, 2018 through August 22, 2018, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of Amaroq Resources, LLC's (Amaroq or Respondent),¹ plans and procedures in Anchorage, Alaska.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated February 25, 2019, a Notice of Amendment (NOA). In accordance with 49 C.F.R. § 190.206, the NOA alleged certain inadequacies in Respondent's emergency procedures and proposed requiring Amaroq to amend its procedures to comply with 49 C.F.R. § 192.615.

Respondent failed to respond within 30 days of receipt of service of the NOA. Eventually, Respondent responded on August 12, 2019, well after the 30 day deadline. In its response, Amaroq did not contest the proposed NOA and further indicated that it would take measures to correct the identified inadequacies. However, to date, Amaroq has yet to provide OPS with amended procedures. Such failure to submit a timely response constitutes a waiver of Amaroq's right to contest the alleged inadequacies in the NOA and authorizes the Associate Administrator, without further notice, to find facts as alleged in the NOA and to issue this Order Directing Amendment.

Accordingly, I find that Amaroq's procedures are inadequate to ensure safe operation of its pipeline system. Pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206, Amaroq is ordered to make the following revisions to its procedures. Respondent must:

¹ Prior to the OPS inspection, Aurora Exploration, LLC changed its name to Amaroq Resources, LLC in April 2018. While the Notice of Amendment used the operator's prior legal name, the legal entity and owner of the pipeline remains the same.

1. Amend and update its Emergency Response Plan to include the current positions who receive, identify, and classify notices of events which require immediate response by the operator, as required by § 192.615.
2. Amend its Emergency Response Plan to provide an overview of personnel and equipment available for an immediate callout in the event of an emergency.
3. Submit the amended procedures to the Director within 60 days following receipt of this Order Directing Amendment.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in administrative assessment of civil penalties not to exceed \$200,000, as adjusted for inflation (49 C.F.R. § 190.223), for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

Under 49 C.F.R. § 190.243, Respondent may submit a Petition for Reconsideration of this Order Directing Amendment to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address, no later than 20 days after receipt of this Order Directing Amendment by Respondent. Any petition submitted must contain a statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. The terms of the order, including corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay.

The terms and conditions of this Order Directing Amendment are effective upon service in accordance with 49 C.F.R. § 190.5.

January 7, 2020

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued