

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

March 25, 2021

Mr. Duane Bowers
Vice President
Teavee Oil & Gas Inc
PO Box 27
Winfield, WV 25213

CPF 1-2021-007-WL

Dear Mr. Bowers:

From March 31 to April 2, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Teavee Oil & Gas Inc.'s (Teavee) underground natural gas storage field facility in Hurricane, West Virginia.

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 violations are:

1. **§ 192.12 Underground natural gas storage facilities.**
 - (a) ...
 - (b) **Depleted hydrocarbon and aquifer reservoir UNGSFs.**
 - (1) ...
 - (2) **Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed on or before July 18, 2017, must meet the provisions of API RP 1171 (incorporated by reference, see § 192.7), sections 8, 9, 10, and 11, and paragraph (c) of this section, by January 18, 2018, and must meet all provisions of paragraph (d) of this section by March 13, 2021.**

Teavee failed to meet the provisions of API RP 1171, Section 9. Specifically, Teavee failed to measure and record annular pressure during 2018 and 2019, as required by API RP1171, Section 9.3.2 Well Integrity Monitoring (Section 9.3.2.).

Section 9.3.2 states in part “The operator shall monitor for presence of annular gas by measuring and recording annular pressure and/or annular gas flow.”

During the inspection, Teavee provided records documenting annular pressure monitoring for the period March 14, 2020 to April 19, 2020. There were no similar records provided, with that same format or on the same form, to document the results of monitoring in 2018 or 2019. The operator stated that the annular pressure had been monitored prior to the issuance of the IFR, but no records were created. Historically, the annular gas monitoring did not reveal the presence of gas.

Therefore, Teavee failed to meet the provisions of Section 9.3.2 regarding annual gas monitoring.

2. § 192.12 Underground natural gas storage facilities.

(a) ...

(b) Depleted hydrocarbon and aquifer reservoir UNGSFs.

(1) ...

(2) Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed on or before July 18, 2017, must meet the provisions of API RP 1171 (incorporated by reference, see § 192.7), sections 8, 9, 10, and 11, and paragraph (c) of this section, by January 18, 2018, and must meet all provisions of paragraph (d) of this section by March 13, 2021.

Teavee failed to meet the provisions of API RP 1171, Section 10. Specifically, Teavee failed to meet the provisions of API RP 1171, Section 10.6.2, regarding training activities for all of its storage field personnel.

API RP 1171, Section 10.6.2 states:

Storage operations and applicable staff shall receive training in the use of the emergency preparedness/response plan. The training can include mock drills and participation in table-top exercises at regular intervals. The table-top exercises or mock drills can include civil emergency responders to enhance understanding and successful incident response.

During the inspection, the PHMSA inspection team reviewed the Teavee O&M Plan. The plan included sections addressing Underground Natural Gas Storage Facilities, Risk Assessment, Storage Field Map, Structure Map, Well Inspections, and the Emergency Response Plan. The team reviewed the available operator’s records that documented the implementation of the Operating Inspection and Maintenance Plan. These included a record of a mock drill for alarm management training which was conducted on January 26, 2017. Although this training was conducted on January 26, 2017, the record indicates that 3 persons were missing from the training and do not appear to have attended a makeup session.

Therefore, Teavee failed to meet the provisions of Section 10.6.2.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022.

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 Teavee Oil & Gas 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 1-2021-007-WL**. 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,

Robert Burrough
Director, Eastern Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration