

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

March 11, 2021

Mr. Bobby Cayton
Senior Vice President Operations
Diversified Midstream LLC
125 Industry Rd
Waynesburg, PA 15370

CPF 1-2021-021-NOA

Dear Mr. Cayton:

From May 19 to 20, 2020, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Cranberry Pipeline Corporation's (CPC) Heizer Creek Storage and Maxton underground natural gas storage facilities (UNGSF) in Putnam County and Raleigh County, West Virginia. Effective May 27, 2020, CPC divested operatorship of these UNGSFs to Diversified Midstream LLC (Diversified). Diversified retained the procedures of Cranberry Pipeline Corp. for its own use.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Diversified's plans or procedures, as described below:

1. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible

at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b)¹ were inadequate. Specifically, Diversified did not establish a threshold level for annular gas or have a procedure to evaluate each annular gas occurrence that exceeds defined threshold levels in accordance with API RP 1171, Section 9.3.2 (Section 9.3.2).

Section 9.3.2 states in part:

The operator shall evaluate each annular gas occurrence that exceeds operator- or regulatory-defined threshold levels determined from well integrity evaluation and from risk assessment.

During the inspection, Diversified reported that they did not have a procedure to evaluate each annular gas occurrence that exceeds a defined threshold level, and that they had not established a threshold level for the occurrence of annular gas.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must establish an annular gas threshold level and revise its procedures to include details on how it evaluates each occurrence of annular gas that exceeds that threshold level in accordance with Section 9.3.2.

2. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

¹ §192.12 Underground natural gas storage facilities.

(a) ...

(b) Depleted hydrocarbon and aquifer reservoir UNGSFs.

(1) Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed after July 18, 2017, must meet all provisions of API RP 1171 (incorporated by reference, see §192.7), and paragraphs (c) and (d) of this section, prior to commencing operations.

(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.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under § 192.12(b) were inadequate. Specifically, Diversified did not have a procedure to maintain records of storage inventory assessments for the life of the facility in accordance with API RP 1171, Section 9.8.2 (Section 9.8.2).

Section 9.8.2 states in part, "The operator shall maintain records of storage inventory assessments for the life of the facility."

During the inspection, Diversified reported that they had not established a procedure to maintain records of storage inventory assessments for the life of the facility.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include how it will maintain records of storage inventory assessments for the life of the facility in accordance with Section 9.8.2.

3. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under § 192.12(b) were inadequate. Specifically, Diversified did not have a procedure for maintaining records to document establishment of and compliance with procedures as required in Section 11 in accordance with API RP 1171, Section 11.13.1 (Section 11.13.1).

Section 11.13.1 states in part, "The operator shall maintain records to document establishment of and compliance with procedures as required in Section 11."

During the inspection, Diversified reported that they did not have a procedure in place for maintaining records to document establishment of and compliance with procedures as required in Section 11.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include provisions for complying with Section 11.13.1.

4. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified's procedures did not incorporate safeguards to the environment, site security, and safety and health into storage operations in accordance with API RP 1171, Section 11.9.1 (Section 11.9.1).

Section 11.9.1 states in part, "The operator shall develop programs incorporating safeguards to the environment, site security, and safety and health into storage design, construction, and operations."

During the inspection, Diversified was not able to provide operations procedures that incorporated safeguards to the environment, site security, and safety and health.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to incorporate safeguards to the environment, site security, and safety and health into storage design, construction, and operations in accordance with Section 11.9.1.

5. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified's

procedures did not include retention intervals for records that meet regulatory requirements in accordance with API RP 1171, Section 11.13.3 (Section 11.13.3).

Section 11.13.3 states in part:

The operator shall establish retention intervals for records that meet regulatory requirements; where no regulatory requirements exist, retention intervals should be determined by the operator.

During the inspection, Diversified reported that they had not established retention intervals for records that meet regulatory requirements.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include how it will establish retention intervals for records that meet regulatory requirements in accordance with Section 11.13.3.

6. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified did not have procedures describing how active well mechanical integrity evaluations included initial and subsequent evaluations as determined by the risk assessment and information derived from initial evaluations in accordance with API RP 1171, Section 9.3.1 (Section 9.3.1).

Section 9.3.1 states in part:

Active well mechanical integrity evaluations shall include initial and subsequent evaluations as determined using the risk assessment and the information derived from the initial evaluation.

During the inspection, Diversified reported that they had not established procedures describing how active well mechanical integrity evaluations included initial and subsequent evaluations as determined by the risk assessment and information derived from initial evaluations.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include how active well mechanical integrity evaluations will include

initial and subsequent evaluations in accordance with Section 9.3.1.

7. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified did not have procedures for evaluating the mechanical integrity of each active well, including each third-party well, that penetrates the storage reservoir and buffer zone or areas influenced by storage operations in accordance with API RP 1171 Section 9.3.1 (Section 9.3.1).

Section 9.3.1 states in part:

The operator shall evaluate the mechanical integrity of each active well, including each third-party well, that penetrates the storage reservoir and buffer zone or areas influenced by storage operations.

During the inspection, Diversified reported that they had not established procedures for evaluating the mechanical integrity of each active well that penetrated the storage reservoir and buffer zone or areas influenced by storage operations.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include how it will evaluate the mechanical integrity of each active well that penetrates the storage reservoir and buffer zone or areas influenced by storage operations in accordance with Section 9.3.1.

8. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible

at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified did not develop procedures for the construction, operation, and maintenance of natural gas storage wells and reservoirs in accordance with API RP 1171, Section 11.2.1 (Section 11.2.1).

Section 11.2.1 states in part:

The operator shall develop and follow procedures for the construction, operation, and maintenance of natural gas storage wells and reservoirs to establish and maintain functional integrity.

During the inspection, Diversified reported that they had not developed O&M procedures specific to underground natural gas storage operations.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must develop procedures for the construction, operation, and maintenance of natural gas storage wells and reservoirs to establish and maintain functional integrity in accordance with Section 11.2.1.

9. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified did not develop procedures to use risk assessments as a basis for developing the integrity demonstration, verification, and monitoring tasks and evaluating their frequency requirements in accordance with API RP 1171 Section 9.2.2 (Section 9.2.2).

Section 9.2.2 states in part:

Risk assessments shall be used as a basis for developing the integrity demonstration, verification, and monitoring tasks and evaluating their frequency requirements.

During the inspection, Diversified reported that they did not have procedures in place describing how risk assessments were used for developing the integrity demonstration, verification, and monitoring tasks and for evaluating frequency requirements.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include how it will use risk assessments for developing the integrity demonstration, verification, and monitoring tasks and for evaluating frequency requirements in accordance with Section 9.2.2.

10. § 192.12 Underground natural gas storage facilities.

(a) ...

(c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

Diversified's written procedures for conducting operations, maintenance, and emergency preparedness and response activities under §192.12(b) were inadequate. Specifically, Diversified did not have a procedure for maintaining, repairing, or replacing wellhead isolation valves in accordance with API RP 1171, Section 9.3.2 (Section 9.3.2).

Section 9.3.2 states in part:

The valves shall be maintained, repaired, or replaced in accordance with the operator's valve maintenance program for isolation valves.

During the inspection, Diversified reported that they did not have a procedure for maintaining, repairing, or replacing faulty wellhead isolation valves.

Therefore, Diversified's written procedures required by § 192.12(c) were inadequate. Diversified must revise its procedures to include how it will maintain, repair, or replace wellhead isolation valves in accordance with its valve maintenance program for isolation valves in accordance with Section 9.3.2.

11. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program—*

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified's risk management procedures did not include a definition for risk and Diversified did not multiply consequence of a realized threat by the likelihood of its occurrence when calculating risk scores in accordance with API RP 1171, Section 8.1 (Section 8.1).

Section 8.1 states in part, "Risk is defined as the consequence of a realized threat multiplied by the likelihood of its occurrence."

During the inspection, Diversified displayed their Risk Management Program, Section 1, Risk Assessment, that did not include a definition of risk. Furthermore, Diversified did not multiply the consequence of a realized threat by the likelihood of its occurrence when computing the risks scores of the individual wells at the Maxton and Heizer Creek storage fields.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures to define and calculate risk in accordance with Section 8.1.

12. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program—*

(1) ...

(4) **A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);**

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified did not have a procedure to review the results of the risk assessment in accordance with API RP 1171, Section 8.5.2 (Section 8.5.2).

Section 8.5.2 states in part:

The operator shall review the results of the risk assessment to determine whether the risk assessment, resulting prioritization, or ranking represents its facilities and characterizes the risks.

During the inspection, Diversified reported that they had not established a procedure to review the results of the risk assessment.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures to include how it will review the results of the risk assessment to determine whether the risk assessment, resulting prioritization, or ranking represents its facilities and characterizes the risks in accordance with Section 8.5.2.

13. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program—*

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified did not have a process to assess threat and hazard interaction in accordance with API RP 1171, Section 8.3.2 (Section 8.3.2).

Section 8.3.2 states in part:

The operator shall use available information such as performance data collected through the field history, operations and maintenance (O&M) activities, geotechnical data such as well logs, engineering data, and completion reports to determine susceptibility to threat and hazard-related events and to assess threat and hazard interaction.

During the inspection, Diversified reported that they had not established a procedure to assess threat and hazard interaction.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures to include how it will assess threat and hazard interaction in accordance with Section 8.3.2.

14. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program*—

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified did not have a procedure to assess the risk associated with newly identified or changing threats and hazards in accordance with API RP 1171, Section 8.7.3 (Section 8.7.3).

Section 8.7.3 states in part:

If during the course of operations new threats or hazards are identified, or the impact of threats or hazards changes markedly, the operator shall assess the risk associated with new conditions and evaluate and prioritize risk management options in accordance with the risk assessment.

During the inspection, Diversified reported that they had not established a procedure to assess the risk associated with new or changing threats and hazards and to evaluate and prioritize risk management options in accordance with the risk assessment.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures to include how it will assess the risk associated with new or changing threats or hazards, and how it will evaluate and prioritize risk management options in

accordance with its risk assessment, commensurate with Section 8.7.3.

15. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program*—

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified did not have a procedure for assessing risks related to the storage operation using a consistent process in accordance with API RP 1171, Section 8.5.2 (Section 8.5.2).

Section 8.5.2 states in part, "The operator shall assess risk related to the storage operation using a consistent process."

During the inspection, Diversified displayed their risk assessment process of using continuing surveillance information as inputs for the risk scores. Diversified's O&M Manual Appendix E-Standard Operating Procedure section 11_Continuing Surveillance states in part that "the threats and hazards found during well inspections and facility patrols will be entered on form UNGS-001 to compile a risk score on each storage facility." No other process was presented during the inspection to describe how risk would be assessed using a consistent process.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures so risk related to the storage operation is assessed using a consistent process in accordance with Section 8.5.2.

16. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program*—

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified did not have procedures for identifying or developing preventative and mitigative measures to manage risks in accordance with API RP 1171, Section 8.6.2 (Section 8.6.2).

Section 8.6.2 states in part, "The operator shall develop P&M measures to manage risks."

During the inspection, Diversified reported that they did not have procedures for identifying or developing P&M measures to manage risks.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate.

Diversified must revise its procedures to include how it will identify and develop P&M measures to manage risk in accordance with Section 8.6.2.

17. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program*—

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified’s written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified did not define a review frequency for the risk assessment in accordance with API RP 1171, Section 8.7.2 (Section 8.7.2).

Section 8.7.2 states in part, “The operator shall define a review frequency for the risk assessment and perform a review and update of the risk assessment in accordance with the defined frequency.”

During the inspection, Diversified reported that they had not established a review frequency for the risk assessment.

Therefore, Diversified’s written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures to include how frequently it will review and update the risk assessment in accordance with Section 8.7.2.

18. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program*—

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified’s written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified’s procedures did not include a process for assessing the effectiveness of risk monitoring and risk management programs and maintaining a continual review and improvement cycle in risk management activities to provide functional integrity of the storage operation in accordance with API RP 1171, Section 8.7.1 (Section 8.7.1).

Section 8.7.1 states in part:

The operator shall assess the effectiveness of risk monitoring and risk management programs and maintain a continual review and improvement cycle in risk management activities to provide functional integrity of the storage operation.

During the inspection, Diversified reported that they had not established procedures for assessing the effectiveness of risk monitoring and risk management programs and maintaining a continual review and improvement cycle in risk management activities to provide functional integrity of the storage operation.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedure to include how it will assess the effectiveness of risk monitoring and risk management programs and maintain a continual review and improvement cycle in risk management activities in accordance with Section 8.7.1.

19. § 192.12 Underground natural gas storage facilities.

(a) ...

(d) *Integrity management program*—

(1) ...

(4) A plan for how staff will be trained in awareness and application of the procedures required by this paragraph (d);

Diversified's written procedures for carrying out its integrity management program under API RP 1171, Section 8 were inadequate. Specifically, Diversified's procedures did not include performance data collected through the field history, operations and maintenance (O&M) activities, geotechnical data such as well logs, engineering data, and completion reports to determine susceptibility to threat and hazard-related events in accordance with API RP 1171, Section 8.3.2 (Section 8.3.2).

Section 8.3.2 states in part:

The operator shall use available information such as performance data collected through the field history, operations and maintenance (O&M) activities, geotechnical data such as well logs, engineering data, and completion reports to determine susceptibility to threat and hazard-related events and to assess threat and hazard interaction.

During the inspection, Diversified reported that threat and hazard-related data collection procedures only included the age of the wells and information collected during annual wellhead inspections as their inputs for determining risk. They did not refer to Table 1 of API RP 1171 to determine what type of information to utilize for performance data, O&M activities, geotechnical data, engineering data and completions reports. Also, Diversified reported that they used 72-hour shut-in test results to assess the integrity of the wells, but did not include the results in their risk assessment.

Therefore, Diversified's written procedures required by § 192.12(d)(4) were inadequate. Diversified must revise its procedures to include the use of performance data collected through the field history, operations and maintenance (O&M) activities, geotechnical data such as well logs, engineering data, and completion reports to determine susceptibility to threat and hazard-related events in accordance with Section 8.3.2.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled Response Options for Pipeline Operators in Enforcement Proceedings.

Please refer to this document and note the response options. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under § 190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Diversified Midstream, LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2021-021-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on USB flash drive accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

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

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings