

WARNING LETTER

VIA ELECTRONIC MAIL TO: BradC@savageservices.com,
WilliamSlaven@savageservices.com and ChadJordan@savageservices.com

January 6, 2022

Mr. Brad Crist
Sector President, Savage Energy & Chemical
Savage Bakken Connector, Inc.
901 W Legacy Center Way
Midvale, UT 84047

CPF 3-2022-008-WL

Dear Mr. Crist:

On August 25, 2021 through November 23, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Savage Bakken Connector Crude Oil System (Savage) procedures, records, and field assets in Trenton, North Dakota.

As a result of the inspection, it is alleged that Savage has committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§ 195.264 Impoundment, protection against entry, normal/emergency venting or pressure/vacuum relief for aboveground breakout tanks.**
 - (a)
 - (b) After October 2, 2000, compliance with paragraph (a) of this section requires the following for the aboveground breakout tanks specified:
 - (1) For tanks built to API Spec 12F, API Std 620, and others (such as API Std 650 (or its predecessor Standard 12C)), the installation of impoundment must be in accordance with the following sections of NFPA-30 (incorporated by reference, see § 195.3);

(i) Impoundment around a breakout tank must be installed in accordance with section 22.11.2;

NFPA® 30 Flammable and Combustible Liquids Code

22.11.2 Impounding Around Tanks by Open Diking. Where control of spills is provided by means of impounding by open diking around the tanks, such systems shall meet the requirements of 22.11.2.1 through 22.11.2.8.

22.11.2.1 A slope of not less than 1 percent away from the tank shall be provided for at least 50 ft (15 m) or to the dike base, whichever is less.

Savage failed to comply with *NFPA 30 Subsection 22.11.2.1 of Section 22.11.2*, as referenced under § 195.264(b)(1)(i), regarding Breakout Tank impoundment areas with a slope of not less than one percent away from the tank shall be provided for at least 50 feet or to the dike base, whichever is less. PHMSA, during the field audit of Savage's breakout tank impoundment areas, observed and photographed a slope less than one percent around five breakout tanks.

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 items identified in this letter. Failure to do so will result in Savage Bakken Connector, 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 3-2022-008-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,

Gregory A. Ochs
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

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