



December 4, 2012

RE: 30-Day Response to OPS Notice of Amendment – CPF No. 4-2012-5032M

R. M. Seeley, Director Southwest Region
Pipeline and Hazardous Materials Safety Administration
Southwest Region
8701 South Gessner Road
Suite 1110
Houston, Texas 77074

Dear Mr. Seeley:

On behalf of Bravo Pipeline Company, a wholly owned subsidiary of OXY USA Inc. (Oxy) and its affiliate Occidental Oil and Gas Corporation (OOG), the Pipeline Integrity Management Plan (IMP) has been amended to address the items identified during the July 2011 OPS inspection. The resolved status of the items is as follows:

Item No. 1 Bravo had a procedure to address P&M measures but the methods being used to verify the implementation of the P&M measures in the field were not clear or easily reviewed to ensure the measures were appropriately implemented. Bravo must revise its procedure to ensure a documentable process is in place to ensure the proper implementation of P&M measures planned and approved for specific HCAs.

Status: Oxy does not contest the findings of the July 2011 audit and Notice of Amendment. Oxy has amended its current draft of the Integrity Management Program Manual, Section 5 *Prevention and Mitigation Measures*, to include a P&M measures procedure with steps to select, manage, implement and record P&M Measures identified during the P&M process.

The new procedure included in the IMP Manual is as follows and describes the task (step) order, parties responsible, and information required to implement appropriate P&M measures throughout all OOG Business Units that operate covered and non-covered segments:

Business Unit Integrity Specialists are responsible for the identification and selection of P&M Measures. The Operations Manager is responsible for implementation of selected P&M Measures using qualified Company and Contractor personnel. The procedure to select and implement P&M Measures can be found at the end of section 5 and in the IMP Appendix [BU].5.A - P&M Measure Evaluation Report.

P&M Measure Procedure

The following procedure outlines the steps for consideration, selection, tracking and implementation of additional P&M Measures as determined in the Annual IMP Review meeting and documented in IMP Appendix [OOG].6.A – Annual IMP Review Form and IMP Appendix [BU].5.A - P&M Measure Evaluation Report. Once P&M Measures are selected the Business Units are responsible for scheduling, implementing and reporting the implemented P&M Measures. Business Units will also track costs associated with the P&M Measures and report progress during an IMP review meeting that will be scheduled quarterly. The P&M Measures Implementation Form will be attached to the IMP Appendix [BU].5.A - P&M Measure Evaluation Report after completion. The steps for the P&M Procedure are:

P&M Measure Procedure:

[Risk Analysis complete prior to Annual IMP Meeting for SME review]

Step 1: Review the current Component Assessment Plan Ranking at the Annual IMP Review Meeting (All Company IMP SMEs).

Step 2: Identify Tier 1 and Tier 2 Threats per segment ranking threat categories (All Company IMP SMEs).

Step 3: Identify threat drivers for the Tier 1 segment threats in the risk model (All Company IMP SMEs).

Step 4: Identify threat drivers for the Tier 2 segment threats in the risk model (All Company IMP SMEs).

Step 5: Review mitigation strategies for threat drivers in risk model and propose P&M Measures to implement (Business Unit). Annual IMP Review Meeting complete.

Step 6: Add proposed P&M Measures to the IMP Appendix [OOG].6.A – Annual IMP Review Form (Integrity Management Consultant).

Step 7: Add suggested P&M Measures to the IMP Appendix [BU].5.A - P&M Measure Evaluation Report and P&M Measures Implementation Form and send to Business Units (Integrity Management Consultant).

Step 8: Estimate, approve and schedule Tier 1 segment P&M Measures. Consider additional Tier 2 P&M Measures as necessary (Business Unit).

Step 9: Implement P&M Measures (Business Unit).

Step 10: Report P&M Measure implementation costs and schedule during quarterly IMP review meetings (All Company IMP SMEs).

Step 11: Send the P&M Measures Implementation Form to the Integrity Management Consultant for integration into the risk database one month prior to the Annual IMP Review Meeting (Business Unit).

Step 12: Integrate completed P&M Measure data into the risk database and conduct updated risk analysis calculations (see Section 2 – Risk Analysis) for creating the new Component Assessment Plan Ranking (Integrity Management Consultant).

The Integrity Management Consultant will record P&M Measure cost tracking and risk reduction performance measures for historical tracking and annual review by the SMEs.

An example P&M Measures Implementation Form is attached below.

Regards,



Jeffrey F. Simmons
Vice President – Permian CO2

2012 - 2013 P&M Measures Implementation Form																									
Business Units and Pipelines	Pipeline	HCA (mi)	Last Assessment Date	Risk Tier	ROF	LOF	COF	EC	IC	SCC	TPD	MFG	CONS	EQ	IO	WOF									
	Tier 1 Scores >				40.3%	70.4%	73.0%	14.8%	27.1%	17.4%	6.9%	17.0%	14.3%	15.7%	15.2%	13.3%									
	Tier 2 Scores >				33.4%	58.9%	65.0%	10.5%	18.5%	12.4%	4.6%	11.6%	10.1%	11.1%	10.1%	8.6%									
	Tier 3 Scores >				26.4%	47.4%	57.0%	6.1%	9.9%	7.4%	2.3%	6.2%	5.8%	6.5%	5.0%	4.0%									
	Tier 4 Scores <				26.4%	47.4%	57.0%	6.1%	9.9%	7.4%	2.3%	6.2%	5.8%	6.5%	5.0%	4.0%									
P&MM 1																	Proposed Cost	Actual Cost	Date Implemented	P&MM 2		Proposed Cost	Actual Cost	Date Implemented	
(BRV) Bravo Pipeline Company (30657)		781.78	135.69	17%																					
(23A-001/4)BV8 - Denver City		115.07	13.33	8/1/2010	Tier 2	34.7%	52.9%	65.6%	17.5%	9.3%	17.2%	1.8%	6.3%	1.5%	3.1%	5.0%	8.8%	CIS				Pressure cycle study (TTOS)			
(23A-007) Anton - Irish 8" Lateral		46.20	2.45	11/1/2009	Tier 2	33.8%	58.4%	57.9%	13.1%	9.2%	11.7%	12.3%	7.2%	5.5%	2.8%	4.5%	16.4%	Line Marking				CIS			
(23A-001/4)Bravo Dome - BV8		102.76	12.96	7/1/2007	Tier 2	33.4%	54.2%	61.6%	7.9%	9.6%	10.8%	5.3%	8.6%	11.9%	3.1%	5.0%	12.3%	Weld Inspection				Line Marking			
Denver City to Welch 14"		45.67	4.04	9/1/2007	Tier 3	33.0%	52.0%	63.4%	9.5%	9.1%	13.0%	3.2%	10.6%	2.2%	5.1%	4.8%	12.4%								
04 Bravo Dome - Broadview		71.96	20.77	5/30/2007	Tier 3	31.7%	58.1%	54.5%	13.3%	6.1%	18.1%	3.8%	16.0%	7.6%	3.0%	4.8%	8.9%								
05 Broadview - Lingo		74.14	24.31	8/8/2008	Tier 3	30.7%	55.3%	55.5%	13.1%	6.6%	17.9%	3.6%	15.1%	7.2%	1.9%	1.4%	8.7%								
07 Denver City - Seminole		21.42	7.61	2013	Tier 3	29.8%	57.9%	51.5%	12.1%	18.8%	14.9%	4.5%	12.7%	2.2%	1.8%	1.3%	12.3%								
06 Lingo - Denver City		56.81	12.28	10/20/2008	Tier 3	29.6%	54.3%	54.5%	12.2%	6.6%	17.2%	3.6%	15.1%	7.2%	1.9%	1.4%	8.4%								
(23A-005) Bravo P/L Slaughter Lat		1.30	0.55	12/16/2007	Tier 3	26.1%	47.4%	55.1%	10.6%	8.7%	10.5%	6.5%	4.0%	2.0%	3.5%	5.0%	10.7%								
03 Gladstone- Bravo Dome		37.90	24.90	3/5/2007	Tier 4	25.0%	48.6%	51.5%	5.7%	10.4%	13.8%	4.3%	7.1%	7.7%	3.1%	5.0%	6.6%								
01 Sheep Mt. - Johnson Mesa		95.98	6.87	8/1/2010	Tier 4	23.3%	42.8%	54.5%	8.8%	5.6%	15.5%	3.6%	1.3%	1.9%	3.1%	5.0%	8.5%								
Woodley Lateral 12"		5.39	3.26	12/16/2007	Tier 4	20.2%	38.5%	52.4%	7.0%	10.2%	3.7%	6.1%	3.3%	1.7%	3.3%	1.1%	10.5%								
14" Levelland Pipeline		12.57	2.36	8/25/2009	Tier 4	11.8%	24.7%	47.9%	2.3%	3.8%	2.3%	2.1%	1.0%	1.4%	8.6%	4.2%	2.0%								

Figure 1 - P&MM Measures Implementation Form