

June 9, 2025

Via E-mail to Bryan.Lethcoe@dot.gov

Mr. Bryan Lethcoe

Director, Southwest Region

Pipeline and Hazardous Materials Safety Administration

8701 S. Gessner, Suite 630

Houston, TX 77074

**RE: Request for Informal Discussion
CPF No. 4-2025-021-NOPV**

Dear Mr. Lethcoe:

On January 8, 2025, the Pipeline and Hazardous Materials Safety Administration (PHMSA or the Agency) issued the above-referenced notice of probable violation (NOPV) to HF Sinclair Corporation (HF Sinclair or the Company). On February 14, 2025, the Company submitted an initial response to the NOPV in which it did not contest the items. However, following further evaluation, the Company determined that the issues raised in the NOPV required additional consideration and submitted a supplemental response to PHMSA on April 8, 2025, that respectfully contested the allegations and requested an informal discussion to resolve the NOPV. The Company remains committed to resolving the NOPV through informal discussions with the Southwest Region and submits this letter to provide additional information and clarify its position on why each item in the NOPV should be withdrawn or the proposed compliance order modified. HF Sinclair requests an informal meeting with the Agency following PHMSA's review of this letter to work towards resolving the NOPV through a mutually agreed settlement.

I. Item 1 (Sec. 195.310) – Pressure Test Records

a. Allegation and Factual Background

In Item 1, the Agency alleges that the Company's pressure test records for its Casper Station to Poison Spider Road Segment (the Casper Pipeline) did not include all information required by 49 C.F.R. § 195.310.

The Casper Pipeline is an approximately 1.1-mile intrastate hazardous liquids pipeline that was initially constructed and pressure tested in 1976. The Casper Pipeline has a maximum operating pressure (MOP) of 1440 psi, which is supported by pressure test charts from 1976 that demonstrate the Casper Pipeline was tested at pressures between 1800-1820 psi for 24 hours.¹

b. The Casper Pipeline is not subject to Sec. 195.310.

¹ The pressure charts for the Casper Pipeline have been previously provided to PHMSA during the inspection and also in the Company's April 1, 2025 supplemental response to the NOPV.

Subpart E provides that operators of certain older pipelines which establish their MOPs through historical records are excepted from the Subpart E pressure testing requirements, including the record keeping requirements in Sec. 195.310.² One group of pipelines eligible for the exception is intrastate hazardous liquid pipelines constructed prior to October 21, 1985 that can establish MOP pursuant to Sec. 195.406(a)(5).³ Under Sec. 195.406(a)(5), the MOP of a line can be established using the highest historical test or operating pressures “to which the pipeline was subjected for 4 or more continuous hours that can be demonstrated by recording charts or logs made at the time the test or operations were conducted.”⁴

The historical charts or logs used to establish MOP under Sec. 195.406(a)(5) do not need to include all the information required by Sec. 195.310. When promulgating the rule that includes the Subpart E exceptions, PHMSA made clear that “Section 195.310 does not affect the documentation required by existing § 195.406(a)(5) and would not affect documentation under the proposed revision to § 195.406(a)(5). Thus, operators need not have documentation under final § 195.406(a)(5) in the same detail as § 195.310 requires.”⁵ As Sec. 195.406(a)(5) provides, an operator only needs pressure charts or logs demonstrating the historical pressures the pipeline was tested to or operated for during a continuous four-hour period.

HF Sinclair’s 1976 pressure test records meet this standard. The Casper Pipeline is an intrastate hazardous liquids pipeline constructed prior to the October 21, 1985 cut-off for intrastate lines that require a Subpart E pressure test. HF Sinclair’s predecessor operator utilized pressure charts from a 1976 pressure test that demonstrates the line was tested between 1800-1820 psi for a 24-hour period, which is sufficient to establish a MOP of 1440 psi under Sec. 195.406(a)(5). Therefore, the line qualifies for the Subpart E exception in Sec. 195.302(b)(1)(iii) and the full suite of records listed in Sec. 195.310 are not needed.

c. Proposed Resolution

Based on the above, HF Sinclair respectfully requests that PHMSA withdraw the allegation and proposed compliance order for Item 1.

II. Item 2 (Sec. 195.430) – Firefighting Equipment

a. Allegation

Item 2 alleges the Company failed to maintain adequate firefighting equipment at Tanks 1325 and 1326 at its Bairoil Pump Station pursuant to Sec. 195.430.

b. HF Sinclair had adequate firefighting equipment at the Bairoil Pump Station

HF Sinclair respectfully contends the Bairoil Pump Station did include adequate firefighting equipment at the time of PHMSA’s inspection. The Company properly inspects and maintains

² 49 C.F.R. § 195.302(b)(“[T]he following pipelines may be operated without pressure testing under this subpart”).

³ *Id.* at (b)(1)(iii).

⁴ 49 C.F.R. § 195.406(a)(5).

⁵ 59 Fed. Reg. 29,379, 29,382 (Jun. 7, 1994).

mobile fire extinguishers at the pump station and provides training to its personnel on how to respond to a fire at the facility. HF Sinclair's procedures incorporate elements of leading industry standards, such as API RP 2021 and NFPA 30, and the Company works with local emergency responders so that Company and non-Company personnel are aware of the basic tactical approach to a fire at the facility.

Due to the remote location of the Bairoil Pump Station, the lack of available firewater on site, and instructions to HF Sinclair personnel to restrict themselves to defensive actions for any fires beyond those in incipient stages, it is the Company's approach, in coordination with local emergency responders, to allow Tanks 1325 and 1326 to burn out in controlled conditions. HF Sinclair believes this approach aligns with API RP 2021 and NFPA 30, and is the best means to protect Company personnel, the public, and property if a fire occurs.

Based on post-inspection conversations with the Agency, the Company understands that on-site personnel provided insufficient detail on the Company's firefighting equipment and fire response plans at the Bairoil Pump Station when asked during the inspection. The Company offers this letter, alongside the information provided in its April 1, 2025 response, to provide PHMSA with a complete overview of the adequacy of its firefighting equipment and response plan for the tanks. HF Sinclair also welcomes further discussion with the Agency to discuss this Item in greater detail to address concerns the Agency may have.

c. Proposed Resolution

Based on the above, HF Sinclair respectfully requests that PHMSA withdraw the allegation and proposed compliance order for Item 2.

III. Item 3 (Sec. 195.452(b)(5))

a. Allegation and Additional Information

The Agency alleges that HF Sinclair violated Sec. 195.452(b)(5) by not conducting spill modeling on three breakout tanks located at the Cheyenne Station as required by a legacy Sinclair Transportation Company integrity management plan.

The Company acknowledges that spill modeling last occurred for the three breakout tanks in 2014, but HF Sinclair stresses that the tanks were taken out of service in 2021 under a prior operator, and there are no current plans to use the tanks. Because the tanks have been out of service and empty for several years, HF Sinclair believes that the proposed compliance order which requires the Company to perform spill modeling on the tanks is an inefficient use of resources that would not improve pipeline safety. The spill modeling would utilize out-of-date operational parameters and not generate actionable data to inform the Company's integrity management program. Therefore, the Company asks that the proposed compliance order be withdrawn, and that Item 3 be converted to a warning item. If these tanks are ever returned to service, HF Sinclair will implement all necessary requirements in Part 195 and the Company's applicable procedures, including spill modeling if required based on the HCA status of the facility.

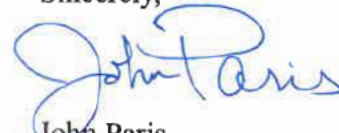
b. Proposed Resolution

HF Sinclair requests that PHMSA convert Item 3 to a warning item and withdraw the associated compliance order.

IV. Conclusion

The Company appreciates PHMSA's continued attention to this matter and hopes this matter can be resolved through further discussion. Please contact Dwight Brown at Dwight.Brown@hfsinclair.com or 214-954-6707 if you have any questions.

Sincerely,



John Paris
Vice President of Operations,
Midstream