PXP

February 7, 2011

Mr. Chris Hoidal, P.E.
Director, Western Region
Pipeline and Hazardous Materials Safety Administration
12300 West Dakota Avenue, Suite 110
Lakewood, Colorado 80228

Re: CPF No. 5-2011-0002

Dear Mr. Hoidal:

We are in receipt of your Notice of Probable Violation and Proposed Compliance Order dated January 13, 2011. We have reviewed the external corrosion control (cathodic protection) regulation at 49 CFR 192.463. The regulation requires the operator to provide a level of cathodic protection (CP) that complies with Appendix D of Part 192.

On October 18, 2010 Far West Corrosion performed a depolarization survey on the pipelines from Inglewood to Packard. This procedure as described in the attached letter from Far West explains the process and illustrates that the pipelines do meet the criteria for CP as outlined in 49 CFR 192 Appendix D I (A) (3).

Should you have any questions or require additional information you can reach Bob Marsalek at (805) 934-8223.

Sincerely,

Candace Salway
Manager, Environmental Health and Safety

Plains Exploration & Production Company
5640 South Fairfax Avenue ▪ Los Angeles, CA 90056 ▪ (323) 298-2200 ▪ Fax (323) 293-2941

FARWEST CORROSION CONTROL COMPANY

Materials • Engineering • Installation
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1480 W. Artesia Blvd., Gardena, CA 90248
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Corrosion Control Products Company

January 21, 2011

Plains Exploration & Production Company
5640 South Fairfax Ave.
Los Angeles, CA 90056

Attention: Mr. Bob Marsalek

Subject: Response to Notice of Probable Violation & Proposed Compliance Order #CPF 5-2011-0002.

Gentlemen:

This response is in answer to the Notice of Probable Violation and Proposed Compliance Order #CPF 5-2011-0002 received by Plains Exploration & Production Company. The following explanation satisfies compliance with requirement #1 in the Proposed Compliance Order.

In the annual report dated August 20, 2010 it was recommended that a depolarization survey should be performed on the pipelines from Inglewood to Packard. It was explained that by performing this depolarization survey it could be shown that a minimum of 100mV of cathodic polarization is achieved on each pipeline. This 100 mV polarization would meet the criteria for cathodic protection as outlined in 49 CFR, Appendix D to Part 192, Section 1, Paragraph 3. Section 1 states:

I. Criteria for cathodic protection— A. Steel, cast iron, and ductile iron structures.

(1) A negative (cathodic) voltage of at least 0.85 volt, with reference to a saturated copper-copper sulfate half cell. Determination of this voltage must be made with the protective current applied, and in accordance with sections II and IV of this appendix.

(2) A negative (cathodic) voltage shift of at least 300 millivolts. Determination of this voltage shift must be made with the protective current applied, and in accordance with sections II and IV of this appendix. This criterion of voltage shift applies to structures not in contact with metals of different anodic potentials.

(3) A minimum negative (cathodic) polarization voltage shift of 100 millivolts. This polarization voltage shift must be determined in accordance with sections III and IV of this appendix.

(4) A voltage at least as negative (cathodic) as that originally established at the beginning of the Tafel segment of the E-log-I curve. This voltage must be measured in accordance with section IV of this appendix.

(5) A net protective current from the electrolyte into the structure surface as measured by an earth current technique applied at predetermined current discharge (anodic) points of the structure.

On October 18, 2010, rectifiers and current sources for the pipelines from Inglewood to Packard were turned off during the October bi-monthly rectifier survey. The pipelines were allowed to depolarize for a period of 21 days and pipe-to-soil potentials were measured at all available test locations on November 8, 2010. As described in the report dated December 6, 2010, the 12", 10" gas, 8"-1, & 8"-2 pipelines from the Inglewood Field to the Packard Drill site meet the criteria for cathodic protection as stated above. All measured potentials show a minimum of 100 mV negative cathodic polarization at all locations tested.

The tests and surveys performed show that the subject pipelines meet the criteria as outlined in 49 CFR, Appendix D to Subpart 192. Although the survey performed in August 2010 did not meet the criteria in paragraph 1, the additional depolarization survey performed in November 2010 showed that all pipelines have a cathodic protection level that meets the criteria in paragraph 3.

If you have any questions, or if we can assist you in any way, please do not hesitate to call.

Respectfully,
Farwest Corrosion Control Company

Travis Hill
NACE Corrosion Technician
& CP Tester #19770

Jonathan Loomis
NACE CP Specialist #5377