



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

SENT TO COMPLIANCE REGISTRY

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12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL [7010 2780 0001 0586 2946] - RETURN RECEIPT REQUESTED

August 15, 2012

Mr. Kevin Peretti
Vice President
QEP Field Services Company
1955 Blairtown Road
Rock Springs, WY 82902

CPF 5-2012-1017W

Dear Mr. Peretti:

On June 26, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Public Awareness Program at your office in Rock Springs, Wyoming. As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. §192.616 Public Awareness

(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.

QEP Field Services did not have program documentation for 2009, 2010, or 2011. Per 49 CFR §192.616(c), the operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all

or certain provisions of the recommended practice is not practicable and not necessary for safety.

API RP 1162, Section 8.3 recommend guidance states, *"Has the operator performed an audit or review of its program implementation annually since it was developed? If not, did the operator provide justification in its program or procedural manual?"* QEP Field Services Company did not have documentation of annual audits from 2009, 2010, and 2011. QEP Field Services Company only had documentation for 2008 and for 2012.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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 item(s) identified in this letter. Failure to do so will result in Vintage Production California LLC 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 5-2012-1017W**. 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,

A handwritten signature in black ink, appearing to read "C Hoidal", is written over the typed name.

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 T. Finch (#139518)