

November 1, 2021

VIA ELECTRONIC MAIL TO: richard_adkerson@fmi.com

Mr. Richard Adkerson
President and Chief Executive Officer
Freeport-McMoRan Oil & Gas
201 S. Broadway
Orcutt, California 93455

Re: CPF No. 5-2021-013-NOPV

Dear Mr. Adkerson:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and specifies actions that need to be taken to comply with the pipeline safety regulations. When the terms of the compliance order are completed, as determined by the Director, Western Region, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of transmission as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Mr. Dustin Hubbard, Director, Western Region, Office of Pipeline Safety, PHMSA
Mr. David Rose, Director, Environmental Health & Safety, Freeport-McMoRan Oil &
Gas, drose@fmi.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of

Freeport-McMoRan Oil & Gas,

Respondent.

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CPF No. 5-2021-013-NOPV

FINAL ORDER

On August 2, 2021, pursuant to 49 C.F.R. § 190.207, the Director, Western Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Freeport-McMoRan Oil & Gas (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 195. The Notice also proposed certain measures to correct the violations. Respondent did not contest the allegations of violation or corrective measures.

Based upon a review of all of the evidence, pursuant to § 190.213, I find Respondent violated the pipeline safety regulations listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 195.446(h)(1) (**Item 1**) — Respondent failed to establish a controller training program that included training on responding to abnormal operating conditions likely to occur simultaneously or in sequence.

49 C.F.R. § 195.446(h)(2) (**Item 2**) — Respondent failed to establish a controller training program that included the use of a computerized simulator or non-computerized (tabletop) method for training controllers to recognize abnormal operating conditions.

49 C.F.R. § 195.446(h)(3) (**Item 3**) — Respondent failed to establish a controller training program that included training controllers on their responsibilities for communication under the operator's emergency response procedures.

49 C.F.R. § 195.446(h)(4) (**Item 4**) — Respondent failed to establish a controller training program that included training that provides controllers a working knowledge of the pipeline system, especially during the development of abnormal operating conditions.

49 C.F.R. § 195.446(h)(5) **(Item 5)** — Respondent failed to establish a controller training program that included an opportunity for controllers to review relevant procedures in advance of their application for pipeline operating setups that are periodically, but infrequently, used.

49 C.F.R. § 195.446(h)(6) **(Item 6)** — Respondent failed to establish a controller training program that included team training and exercises that includes both controllers and other individuals, defined by the operator, who would reasonably be expected to operationally collaborate with controllers (control room personnel) during normal, abnormal, and emergency situations.

49 C.F.R. § 195.134 **(Item 7)** — Respondent failed to comply with section 4.2 of API RP 1130 in its design and with any other design criteria addressed in API RP 1130 for components of the CPM leak detection system.

49 C.F.R. § 195.444 **(Item 8)** — Respondent failed to comply with API RP 1130 in operating, maintaining, testing, record keeping, and dispatcher training of the system.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ACTIONS

Pursuant to 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the actions proposed in the enclosed Notice to correct the violations. The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension. Upon completion of ordered actions, Respondent may request that the Director close the case. Failure to comply with this Order may result in the assessment of civil penalties under 49 C.F.R. § 190.223 or in referral to the Attorney General for appropriate relief in a district court of the United States.

The terms and conditions of this order are effective upon service in accordance with 49 C.F.R. § 190.5.

November 1, 2021

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued