



**Hilcorp North Slope, LLC**

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**Via E-mail to [Dustin.Hubbard@dot.gov](mailto:Dustin.Hubbard@dot.gov)**

Dustin Hubbard  
Director, Western Region  
Pipeline and Hazardous Materials Safety Administration  
12300 W. Dakota Ave., Suite 110  
Lakewood, CO 80228

**Re: Hilcorp North Slope, LLC  
Response to Items 3 & 4, C.P.F. 5-2022-006-NOPV**

Dear Mr. Hubbard:

From August 2 through September 2, 2021, the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the procedures and records of Hilcorp North Slope, LLC's (Hilcorp) Lisburne Pipeline, NGL Pipeline, and Oil Transit Pipelines. On September 7, 2022, PHMSA issued the above-referenced Notice of Probable Violation and Proposed Compliance Order (the NOPV) to Hilcorp. The NOPV includes four allegations and proposes a compliance order for Items 1 and 2 and classifies Items 3 and 4 as warning items.

On October 5, 2022, PHMSA granted Hilcorp's request for an extension of time to respond to the NOPV. In this letter, Hilcorp responds only to the warning items 3 and 4. Hilcorp will reply separately to the remaining items in the NOPV.

### **Item 3**

Item 3 alleges that Hilcorp failed to follow its procedures for recordkeeping related to Sec. 195.412(a) required Right-of-Way inspections.

Hilcorp has revised its procedures, forms, and implemented new tools to improve its record keeping from ROW Patrols. These tools include an electronic report form to enhance data collection and accuracy, as well as a GIS-based coordinate system, to assist in spatial positioning and mapping of observed conditions.

### **Item 4**

Item 4 alleges that Hilcorp failed to evaluate the capability of the NGL Pipeline leak detection system.

However, since Hilcorp's acquisition of these pipeline assets, Hilcorp has evaluated the leak detection system of each pipeline. Following its review of the NGL Pipeline, Hilcorp made the decision to upgrade the leak detection capabilities by installing a new statistical mass balance leak detection system. Prior to PHMSA's inspection, in June of 2021 Hilcorp had approved and begun work to design and install the new leak detection system. This system is now installed and fully operational.

During PHMSA's inspection, PHMSA notified Hilcorp that the records from Hilcorp's evaluation of the NGL Pipeline were not adequate. In response, Hilcorp formalized the findings from its evaluation of the

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NGL Pipeline and developed a written report which justifies the leak detection system that Hilcorp was in the process of implementing during PHMSA's inspection. The NOPV acknowledges that Hilcorp submitted the formal report but suggests that Hilcorp had not previously conducted an evaluation of the NGL Pipeline. Hilcorp's initial evaluation directly resulted in the decision to install a new leak detection system and efforts to implement the new leak detection system had begun prior to PHMSA's inspection.

Hilcorp respectfully requests that PHMSA include in the final order that will be issued in this matter the additional information provided in this response, so that the public will be fully apprised of the nature of Hilcorp's efforts. Please contact me if you have any questions related to the information provided in this response.

Sincerely,  
Hilcorp North Slope, LLC



Ben Wasson, P.E.  
Pipeline Risk and Compliance Manager

Cc: Gabrielle St. Pierre, PE (PHMSA)  
Michael Yaeger (PHMSA)  
Cindy Monnin, PE (Hilcorp)