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PUBLIC SAFETY COMMISSION

Email only

Subject: Pacific Energy & Mining Company (Docket No.: 18-2602-01)

Public Safety Commission:

Pursuant to the Order of the hearing officer dated January 18, 2019. Pacific Energy & Mining Co., hereby files its response as follows:

Revised Policy and Procedural Manual

1. The revised Policy and Procedures Manual was completed and filed with the Division.
2. All violations stated by the Division have been cured and duly filed with the Division.
3. A copy of the filings by Pacific Energy & Mining Co., in response to Notice of Possible Violation dated January 2, 2019 and Pacific Energy's response dated January 3, 2019.
4. 2018 Annual Report was filed.
5. Pipeline Mapping System was completed and filed.
6. Public Awareness Program Notices were sent to all agencies as required by the Division.
7. Public Awareness Document was translated and placed on Pacific Energy Website.
8. A Public Awareness Notice was published in English and Spanish for the annual Public Awareness meeting to be held on February 2, 2019 in Green River, Utah.
9. Copies of Records were sent from the Pacific Energy office in Reno, Nevada to the Green River Office as required by the Division.
10. Leak detection patrol reports were completed and are in Green River for inspection.

Fine

Pacific Energy contests the need for a fine for the following reasons:

1. Pacific has operated its pipeline in a safe manner, there have been no complaints;
2. All reports and records which the Division required were completed;

3. The completed reports and records were in Reno, Nevada and have now available for inspection at Green River, Utah;
4. Copies of all required documents have been provided to the Division;

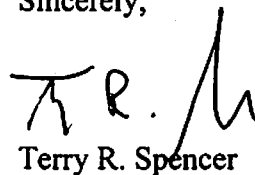
The financial statements for the Pipeline have been provided to the Division. Pipeline operates at a loss, thus a fine would be detrimental to the operation of the Pipeline as Pacific would ask the court permission to shut down the Pipeline.

Court Order

Continuous Operation of the Pipeline is required by the Court as natural gas transmission is a necessary in order for other operators to continue producing oil and natural gas. Loss of access to the Pipeline will result in a cessation of all oil and gas operations resulting in royalty loss to the State of Utah, taxes to County, and cessation of royalties to the Federal Government.

Because there is not harm to the public and the pipeline has operated safely, and the only issues raised by the Division concern recording keeping (These have now been provided to the Division, thus all required records are in the possession of the Division) There is not a need to order a shutdown of the Pipeline.

Sincerely,



Terry R. Spencer

cc: Tariq Ahmad
Dan Green
Patricia Schmid