

Dead Horse Oil Company

17 West Main Street
Greenriver, Utah

(801) 554 2021 PHONE

June 10, 2019

Al Hadi Zadeh
Pipeline Safety Lead Engineer
Program Director
State of Utah
Department of Corporations
Division of Public Utilities
160 E 300 South
PO Box 146751
Salt Lake City, UT 84111

Subject: Letter Dated June 7, 2019

To Whom it may concern:

We are in receipt of a letter dated June 7, 2019 from Mr. Al Hadi Zadeh, the State Program Director and Lead Engineer in reference to the Paradox Pipeline located in Grand County, Utah.

The letter referenced Public Service Commission order and intimated the application of the order to Dead Horse Oil Company. Our legal counsel has read the order and it is our opinion that the order is not applicable to our company. The order states:

“Within sixty (60) days of this order, PEMC shall cease operation of its pipeline and it may not recommence operation until it successfully petitions”

Plain English reading of the order is that it is only applicable to PEMC, no where does the order state that is applicable to any successor operator. Your interpretation of the order is clearly incorrect.

If the Division wants to enforce an order that is not applicable to our company and our operations, it may do so using its own employees and agents. However any damage to our operation and the resulting loss of revenue is solely the responsibility of the Division and its employees.

RECEIVED

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UTAH DIVISION OF PUBLIC UTILITIES


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It is our position that the pipeline is not regulated as it is a gathering system, if the Division wants to move forward it can proceed with its actions with the Public Service Commission.

Sincerely,


Dean H. Christensen
Manager