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**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

**IN THE MATTER OF PACIFIC ENERGY &  
MINING COMPANY**

**Docket No. 18-2602-01**

**PACIFIC ENERGY & MINING  
COMPANY SUPPLEMENTAL  
BRIEF IN SUPPORT OF  
LACK OF JURISDICTION**

**FACTS**

On June 5, 2018, an article was published in the Deseret News wherein the Division made the following statements:

**Parker said when Pacific took ownership of the pipeline, operational changes put it within the state's jurisdiction, which he said was agreed to by all parties.(Mr. Parker is head of the Division)**

1. Pacific Energy took over operations in 2010, Division showed up in 2013 to assert its jurisdiction.
2. There were and are no operational changes since Pacific Energy took over operations, in fact the Gathering system was designed to accept gas from others, therefore an interconnect was build and permitted.<sup>1</sup> A Block Valve was already installed in 2008 as a Tie In to accept natural gas from other operators.

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<sup>1</sup> See Exhibit A, Map of proposed Gas Gathering system showing block valve at Southeast of the Gathering Line, this was already built to accept natural gas from other operators. Proving that there were no operational changes.

3. To assert that Pacific Energy would ask the Division to put the Gathering system under their Jurisdiction is beyond belief.<sup>2</sup>

This assertion that Pacific Energy voluntarily asked to be regulated is not supported by facts, documentation in the form of emails between consultant for Pacific Energy and the Division prove the fact that the statement is incorrect, Pacific Energy held the position that the Gathering is not regulated.<sup>3</sup>

Here Mr. Parker has stated to the newspaper “all parties agreed to the Divisions jurisdiction” thus insinuating that Pacific volunteered to be subject to the Divisions jurisdiction, this is contrary to the facts. Pacific Energy never asked or agreed to be subject to the Divisions jurisdiction any assertion to the contrary is beyond belief, no one will subject themselves to onerous inspections and being hauled in front of a Commission and possible million dollar fines.

**A filing before the Utah Public Service Commission indicates some of those alleged violations include deficiencies in emergency plans and an insufficient public awareness program for affected nearby entities, including schools and cities.**

The above statement was again given to the newspaper by the Division. This statement is contrary to the facts, it stretches the limits of ones imagination in defining the term “**nearby entities, including schools and cities**”, and was only made to sensationalize and justify the Division’s unlawful intrusion to assert jurisdiction.

Federal definition of a distance to a city that requires regulation is 300 feet, here the filing is misleading and makes sensational statements which are contrary to facts.

1. City of Greenriver is approximately 13 miles Northwest of the beginning of the Gathering System.
2. City of Moab is approximately 8 miles South of the end of the Gathering system.

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<sup>2</sup> Agreeing to a courtesy inspection is not the same as agreeing to jurisdiction of the Division.

<sup>3</sup> Exhibit B email correspondence between Pacific Energy and Division.

3. All the necessary public awareness Program were done even though it is not a requirement for a Gathering System.
4. Between the beginning and the end point of the 16 inch gathering line, there are no inhabited areas .

### CONCLUSION

Based upon the above, Pacific Energy requests the Commission:

1. Dismiss the Agency action for lack of jurisdiction as admitted by Division Head Mr. Parker wherein he states “Pacific agreed to Division’s jurisdiction”
2. Order the Division to stop making misleading and inaccurate statements to the Press.
3. Order the Division to correct its statements to the Press.
4. Dismiss the action with prejudice
5. Order the Division to reimburse for the time and costs associated with the inspection, the Notice of violation and the fees paid by Pacific for inspection which was never required

DATED: June 6, 2018



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Tariq Ahmad  
President

PROOF OF SERVICE

I certify that I caused a true and correct copy of the foregoing to be served this 6<sup>th</sup> day of June 2018 by email to the following:

Chris Parker, Director Division of Public Utilities  
[chrisparker@utah.gov](mailto:chrisparker@utah.gov)

Al Zadeh, Pipeline Safety Lead  
[azadeh@utah.gov](mailto:azadeh@utah.gov)

DPU Data Request  
[DPUdatarequest@utah.gov](mailto:DPUdatarequest@utah.gov)

Patrica E. Schmid  
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Dated: June 6, 2018

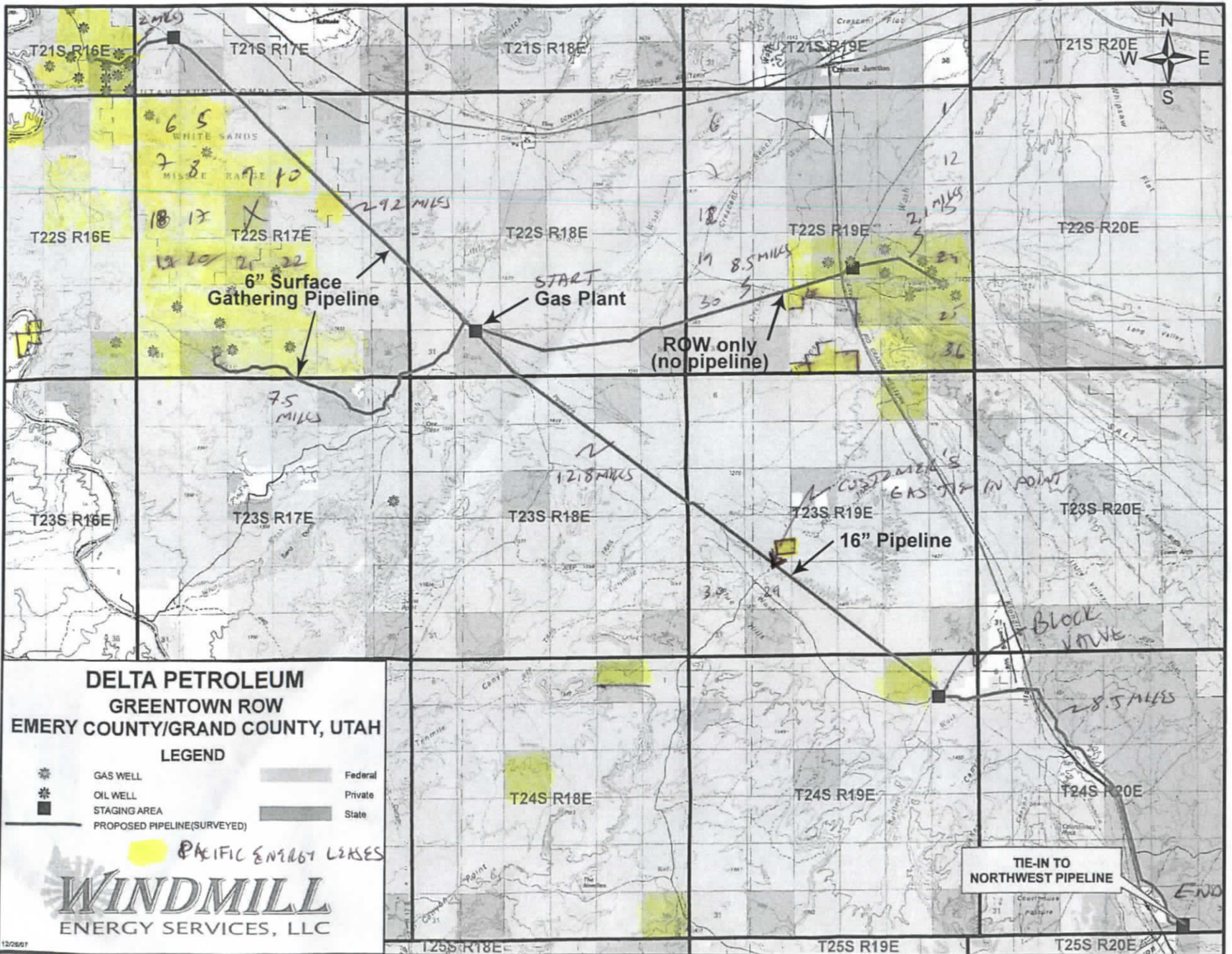


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Tariq Ahmad

EXHIBIT A

# ATTACHMENT 1- MAP OF PARADOX (NATURAL GAS) GATHERING PIPELINE



**DELTA PETROLEUM  
GREENTOWN ROW  
EMERY COUNTY/GRAND COUNTY, UTAH**

**LEGEND**

- GAS WELL
- OIL WELL
- STAGING AREA
- PROPOSED PIPELINE (SURVEYED)
- Federal
- Private
- State

*PACIFIC ENERGY LEASES*

**WINDMILL  
ENERGY SERVICES, LLC**

EXHIBIT B

**Sent:** Friday, September 13, 2013 4:51 PM

**Subject:** Detail for Paradox (Natural Gas) Gathering Pipeline.

Terry,

I am sending you a somewhat detailed description of my logic that the Paradox (Natural Gas) Gathering Pipeline does not fall under the scope of 49 CFR 192.1, under 192.1(b)(4)(ii) as it is not a regulated onshore gathering line (as determined in 49 CFR 192.8). The area in which this pipeline runs through is under development and if significant oil and gas discoveries will be made then this gathering pipeline will convey other producers' production to the Tie-in of Northwest Pipeline.

At present there is only one well producing, into this line, which is operated by Pacific Energy & Mining Company (PEMC). PEMC is currently developing its leases and will be conveying gas from other wells into this line. Additionally, another producer will also be conveying gas into this gathering line, as shown on Attachment 1 and mentioned in the attached communication.

Regards,  
Mobashir Ahmad  
PEMC  
775-742-1032

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