

SPENCER & COLLIER, PLLC

*Attorneys at Law
A Professional Corporation
140 West 9000 South, Suite 9
Sandy, Utah 84070
Telephone: (801) 566-1884
Fax: (801) 748-4022*

*Terry R. Spencer, Ph.D. **

April 12, 2019

**Also licensed in Idaho*

psc@utah.gov

Public Service Commission
State of Utah
Email only

RE: Order dated April 10, 2019

Motion to Reconsider Order dated April 10, 2019

Pacific has received the Commission's order dated April 10, 2019. The order is based upon probable violations as identified by the Division. Pacific requests the commission to reconsider its order based upon the following:

Division January 2, 2019 Notice

Pacific Energy received a Notice of Probable violation dated January 2, 2019. See Exhibit 1. Pacific responded to the Notice on January 3, 2019 as shown below. See Exhibit 2.

Item 1

191.17 Transportation Systems; Gathering Systems; Liquefied. Annual Report

Annual Report was filed on March 14, 2018 a confirmation was sent to your department by the United States Government. A copy of the filing is attached herewith

Item 2

191.29 National Pipeline Mapping System:

Geospatial data was submitted to PIMMA during June 2018. We have tried to contact the US Government, however due to closure of the Government offices we are unable to get an answer. We have uploaded the data again on January 4, 2019. See Exhibit A.

Item 3

192.616 Public Awareness (e) & (f). Municipalities, school districts, businesses and residents.

Public Awareness Notices were sent to the following on May 21, 2018:

Utah Highway Patrol
Green River Fire Department
Grand County Sheriff
Moab City Police
Arch View Resort RV
Moab Under Canvas
Emery County Sheriff
Green River Mayor's Office
Moab Mayor's Office
Blue Hill Gas Plant
Canyonlands Field Airport

On January 3, 2019 we send by email the documents in Spanish and English to the Following:

City of Moab
City of Green River
Grand County School District
Moab Airport
Grand County Road Office

We requested the requisite governmental organizations to place the Notices for Public Awareness at their respective locations.

Item 4

We have translated the Public Awareness document to Spanish and made it available to the City of Moab, City of Green River, Grand County School District, Grand County Road Office and the Moab Airport.

In addition, we have placed a Notice in a general circulation newspaper in Grand County, Utah in Spanish and English.

Item 5

Effectiveness of the Public Awareness Program

Effective Review of Public Awareness Program Paradox Pipeline Grand County, Utah was conducted on June 1, 2018

Pacific Energy has conducted the effectiveness of its Public Awareness Program, in order to make our program effective we have emphasized the risk and hazards associated with our Natural Gas Pipeline and the dangers associated with Natural Gas Pipelines using the following metrics:

1. Public Reach

Notices have been sent to the following agencies and said notices were requested to be placed in Public Places:

City of Green River
City of Moab
Grand County Road Department
Moab Airport
Grand County School District
Grand County Sheriff
Utah Highway Patrol
Businesses near the Pipeline

Population 952
Population 5400

Thus, placing the Public Awareness documents in a Public Place provided access to all interested parties.

2. Awareness

The Public is fully aware of the Program as evidenced by:

Call before you Dig 811

During 2018 we received notices from 811 for construction near our Pipeline, thus evidencing the effectiveness .

Calls to our emergency toll free number

In 2018 we received a single text message and telephone call concerning an odor near our Pipeline. In addition, we received a call from Grand County Sheriff. The situation was immediately investigated and discovered that the odor was not coming from the Pipeline. Our emergency response was within 30 minutes from receiving the telephone call.

Public Meetings

We have conducted a General Meeting for Public Awareness on July 9, 2018 at our office located at 17 West Main Street, Green River, Utah. The meeting was open to the Public. We had three individuals show up at the meeting and we provided them with our Public Awareness Document .

During 2019 we have issued a Notice of Public Meeting wherein we have notified the Public through a Notice in a newspaper of general circulation in the City of Moab. Moab Sun Times. This Newspaper is available in Grand County as well as in Green River, Utah.

On January 3, 2019, we have updated our social media through our website www.pemc.us

Social Media

We have placed the Public Awareness Program on our Website:

<http://66.147.240.158/~pemcus/public-awareness-program/>

We have also placed the Operator Qualification Link our website with documents which the public can easily access and download:

<http://66.147.240.158/~pemcus/dot-operation-qualification/>

Public Contact

As we operate in Grand County, we interact with the community on a regular basis and answer any questions that the citizens have. Over the last five year we have had no incidents, we regularly make the Public aware of our presence by using the above medium.

We have copies of our Public Awareness Program at our office which is available to the Public. Along with the response Pacific attached 55 pages of exhibits.

Pacific's March 21, 2019 letter to the Division Attorney.

On March 21, 2019 Pacific Energy sent a letter to the Division, specifically stating that the inspection done by Mr. Chien Hwang was improper as he was not qualified to conduct an inspection:

Mr. Zach Brett, Director, State Programs - PHP50 Pipeline and Hazardous Materials Safety Administration U.S. Department of Transportation, confirmed that Mr. Al Zadeh and Mr. Jimmy Betham completed the PHMSA-PL3311 Assessment Evaluation for Operator Qualification:

Mr. Al Zadeh and Mr. Jimmy Betham completed the PHMSA-PL3311 Assessment Evaluation for Operator Qualification (OQ) Seminar which satisfies the requirement for Part C item 2(a) of our Program Evaluation. PHMSA has since replaced the Seminar with PL3322 Evaluation of Operator Qualification(OQ) Programs Course. Because Mr. Zadeh and Mr. Betham completed PL3311, they are not required to take and have not taken PL3322. Thank you for your interest in pipeline safety.

The Division confirmed that Mr. Hwang did not complete the PHMSA-PL3311 Assessment Evaluation for Operator Qualification. Thus, the inspection conducted by Mr. Hwang are not admissible and neither are his findings. **See Exhibit 3**

Division failed to respond to Pacific's letter. Immediately after receiving Pacific's letter as to the inspection by an unqualified person, the Division wrote another letter dated March 22, 2019.¹

Division March 22, 2019 Notice

Pacific did not receive a response from the Division until March 22, 2019 listing 4 items that needed clarification and accepting item 1 as being completed. **See Exhibit 4** Pacific

¹Timing of Division's letter immediately after receiving Pacific's letter is in of itself curious.

responded to Divisions letter on April 5, 2019.² **Exhibit 5** Pacific addressed each of the items raised as shown below:

Item 2

191.29 National Pipeline Mapping System: During the inspection no geospatial data was submitted to PHMSA for use in the National Pipeline Mapping System by the March 15, 2018 deadline.

PEMC Response: "Geospatial data was submitted to PIMMA during June 2018. We have tried to contact the US Government, however due to closure of the Government offices we are unable to get an answer. We have uploaded the data again on January 4, 2019."

UTPS Comments: PHMSA verified "no NPMS submission was received from PEMC to meet the NPMS submission requirement during 2018. A submittal was received on January 4, 2019, but reviews and processing for 2019 will not start this year until April". *This probable violation remains open.*

PEMC Response: PEMC submitted the data to NPMS on January 4, 2019 (see attached Exhibit "A.") The Federal government was shut-down in January. PEMC contacted NPMS and requested an estimated date the data submittal would be approved. The NPMS personnel replied that since the government shut-down all approvals would be delayed. PEMC has no control of the government shut-down. Because PEMC has not control this violation cannot be placed on PEMC, rather due to items beyond the control of PEMC, this is not a probable violation. PEMC has contacted NPMS weekly, however we have not yet received a response.

Item 3

192.616 Public awareness (e) & (f): The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas. No documentation was available to verify public awareness activities. Documentation required. *This is a carry-over item from the 2016 inspection.*

PEMC Response: PEMC provided the following information in its January 3, 2019 response. On May 21, 2018 PEMC sent Public Awareness Notices to Stakeholder audience which included the Public Officials, Emergency Responders and nearby businesses along the pipeline Right-of-Way (ROW). Also, on January 3, 2019 Public Awareness content in Spanish and English language was sent to nearby public officials, school districts, the county road office, and the nearby airport.

UTPS Comments: Although PEMC sent notifications to the above stakeholder audience, it did not provide documentation showing how it determined the stakeholder

² On March 25, Pacific responded to the Commission's order stating that Pacific had complied with the Divisions requests. The Division responded without referencing Pacific's April 5, 2019 response to Division and informed the commission that Pacific had failed to address the issues.

audience as required in API RP 1162 Section 5.5 Identify Stakeholder Audiences. Also, mapping provided should show the minimum coverage area along the pipeline ROW as prescribed in API RP 1162 Section 5.5.1 Table 1. PEMC's determination process must be included in the operator's written Public Awareness Program. ***This probable violation remains open until the required documentation is provided.***

PEMC Response: PEMC used API 1162 sections 3.1, 3.2, 3.3 and 3.4. See attached (Exhibit "B"). This table is in PEMC's Appendix I, Appendix J, Appendix K and Appendix L, Public Awareness Program, respectively.

Based on 3.1 PEMC personnel reviewed the area along the pipeline and found 3 businesses which included temporary structures (tents), a residence as part of the Arch View RV Park and a gas processing plant. PEMC visited all of the locations.

Based on 3.2, PEMC notified Emergency officials in Moab, Green River and Grand County, Utah.

Based on 3.3, PEMC notified public officials in Moab, Green River and Grand County, Utah.

Based on 3.4, PEMC notified one Excavator in the area, S&S Garage in Green River, Utah.

The attached maps (See Exhibits "C", "D", "E" and "F".) PEMC visited the three businesses based on the attached maps. These maps have been added to PEMC's Public Awareness Program. Based on these maps PEMC determined the three businesses were within the 660-foot buffer zone. All businesses were visited and were given documentation.

Item 4

192.616 Public awareness (g): The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area. This item was not addressed by the PEMC Procedural Manual for Operations, Maintenance and Emergencies (PMOME). ***This is a carry-over item from the 2016 inspection.***

PEMC Response: PEMC provided the following information in its January 3, 2019 response. PEMC made available its Public Awareness Notices translated in Spanish to Stakeholder audience which included the nearby public officials, school districts, county road office, and nearby airport. In addition, PEMC placed a notice in Spanish and English in the newspaper in Grand County.

UTPS Comments: Although PEMC made notifications available to the above listed audience, it did not provide documentation showing how it determined the non-English speaking population in the operator's area as required in API RP 1162 Section 2.1 Public Education. Also, PEMC's determination process must be included in the operator's written Public Awareness Program. ***This probable violation remains open until the required documentation is provided.***

PEMC Response: PEMC used API 1162 Section 2.3.1 guidelines in order to determine other languages commonly used by the significant segment of the non-English speaking population.

**2.3.1 Public Education
(49 CFR Parts 192.616 and 195.440)**

These regulations require pipeline operators to establish continuing education programs to enable the public, appropriate government organizations, and persons engaged in excavation-related activities to recognize a pipeline emergency and to report it to the operator and/or the fire, police, or other appropriate public officials. The programs are to be provided in both English and in other languages commonly used by a significant concentration of non-English speaking population along the pipeline.

Using the United States Census statistics and a publicly available data base for the city of Green River. (See attached Exhibit "G", Exhibit "H" and Exhibit "I".) US Census does not have a separate census for the City of Green River. PEMC found Spanish to be the second most used language in its service area. Spanish being the only ethnicity with representation higher than 5%. PEMC provided Public Awareness documentation in English and Spanish.

Following table lists the summary:

Item 5

192.616 Public awareness (h): Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency. An effectiveness review was not addressed by the PEMC PMOME. *This is a carry-over item from the 2016 inspection.*

PEMC Response: PEMC stated in its January 3, 2019, response that it had conducted an "Effective [sic] review" of Public Awareness Program on June 1, 2018." PEMC also stated " ... in order to make our program effective we have emphasized the risks and hazards associated with our Natural Gas Pipeline natural gas pipeline ... using the following metrics: 1. Public Reach and 2. Awareness."

UTPS Comments: The documentation provided by PEMC does not meet the effectiveness review requirement in API RP 1162 Section 9 Evaluation. Also, PEMC's effectiveness review process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*

PEMC Response: PEMC used a questionnaire to measure the effectiveness of pipeline public awareness program (See Exhibit "J") and placed it in its Operators Public Awareness Program.

PEMC had contacted the Public Officials and Emergency personnel via telephone and reviewed the questionnaire.

Additionally, PEMC contacted citizens within the service area and used the same questionnaire to determine the effectiveness, additionally PEMC has held an open house yearly for the public to ask questions.

In particular PEMC has contacted an excavator operator (S&S Garage,) Blue Hills processing plant, and Arch View RV Park and review its effectiveness of pipeline awareness. Based upon our questionnaire we have determined that PEMC Public Awareness Program meets the requirements.

On March 25, 2019 Pacific sent a letter to the commission addressing the Commissions Order explaining Pacific's response as to the Notices sent by the Division pursuant to the inspection in 2016 by Mr. Chien Hwang. Pacific had until April 22, 2019 to address the remaining four issues raised by the Division. As noted above Pacific responded to the Divisions letter on April 5, 2019.

Rather than addressing Pacific's letter dated March 21, 2019, wherein Pacific made the Division aware of the undisputed fact that its inspector was not qualified in accordance with requirements as outlined by the Director, State Programs – PHP50, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, Division wrote a letter to the Commission, which is factually incorrect as follows:

1. Unlike Divisions assertion, Pacific has responded to each of the Divisions notices either immediately or within the time period allowed by the Notice.
2. The violations cited by the Division are not safety violations, rather they are violations concerning the items listed in the Notices. Each of which in Pacific's opinion have been addressed.
3. Division utilized the services of an unqualified inspector upon whose report the Division issued the Notice of Probable violations.
4. Division failed to inform the Commission that Pacific in fact had responded to each of the letters sent by the Division.

In short, the Divisions counsel's letter to the Commission is vindictive, misleading and factually incorrect. Rather than admitting the fact that Mr. Hwang was not qualified in accordance with Federal Regulations, the Division has made up the issues which are based upon an inspection by Mr. Hwang, the same person who is not authorized to conduct an inspection.

Foundation of the Notice of Probable Violation is based upon an inspection by Mr. Hwang, who as noted is not qualified to conduct an inspection. The Division and now the Commission is relying upon these illegal findings to levy a fine and find that Pacific has violated certain regulation governing operations of Pipelines.

The Division failed to inform the Commission that Pacific had in fact responded on April 5, 2019 to Divisions letter dated March 22, 2019. In said letter Pacific requested the Division to contact Pacific if there were any questions. Pacific also placed two phone calls to the Division

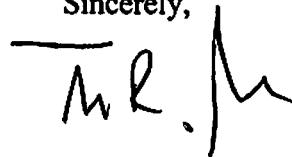
none were returned. The Divisions letters both specified that if Pacific had any question to contact Mr. Jimmy Betham, which Pacific did.

Based upon the above, it is evident that Pacific has been responsive to the Division, it has addressed the issues within the time given by the Division. The Commission in short has been misled by the Division.

Rather than finding that Pacific has violated the rules and regulations it is the Division that has violated Federal regulations by knowingly flaunting Federal rules and covering up its own mistakes.

Based upon the above, Pacific requests that the Commission rescind its Order dated April 10, 2019 and find Pacific in compliance. Furthermore, Pacific requests the Commission to inquire as to why the Division used an unqualified inspector.

Sincerely,

A handwritten signature in black ink, appearing to read 'T.R. Spencer', with a stylized flourish at the end.

Terry R. Spencer

cc: Tariq Ahmad
Dan Green

EXHIBIT 1



GARY HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

January 2, 2019

NOTICE OF PROBABLE VIOLATION

Via U.S.P.S. and email

Tariq Ahmad
President
Pacific Energy & Mining Company (PEMC)
3550 Barron Way, Suite 13A
Reno NV 89511

Dear Mr. Ahmad,

The Utah Public Service Commission (Commission) is authorized by Title 54, Chapter 13 of the Utah State Code to adopt rules and regulations in conformance with the Natural Gas Pipeline Safety Act of 1968, as amended, and other applicable laws. The Commission, by orders issued in Docket No. 89-999-06, has adopted Title 49 CFR Parts 190, 191, 192, 198, 199, and Part 40 along with certain subsequent amendments. Through delegation from the U.S. Department of Transportation, the Division of Public Utilities' Pipeline Safety Staff (UTPS) monitors compliance and enforces intrastate natural gas pipeline safety requirements.

This Notice of Probable Violation (NOPV) is issued as a result of an annual inspection, No. 20180430JB, of Pacific Energy and Mining Company (PEMC), which includes 21.9 miles of 16" Intrastate Transmission Steel Pipeline. The inspection was conducted from April 30th to May 3rd, 2018. The purpose of this inspection was to review the Public Awareness Program (PAP)* and Drug and Alcohol Plan (D&A)*. As well as auditing PEMC's PAP and D&A, UTPS conducted a records and field audit. During the inspection a total of five probable violations (two new and three carried over from 2016) were found as noted below:

Probable Violations Found:

1. **191.17 Transmission systems; gathering systems; liquefied natural gas facilities; and underground natural gas storage facilities:** Annual report: During the inspection no transmission annual report was submitted by the March 15, 2018 deadline.
2. **191.29 National Pipeline Mapping System:** During the inspection no geospatial data was submitted to PHMSA for use in the National Pipeline Mapping System by the March 15, 2018 deadline.

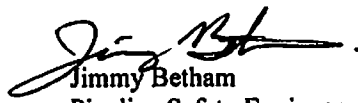
3. **192.616 Public awareness (e) & (f):** The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas. *No documentation was available to verify public awareness activities. Documentation required. This is a carry-over item from the 2016 inspection.*
4. **192.616 Public awareness (g):** The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area. *This item was not addressed by the PEMC Procedural Manual for Operations, Maintenance and Emergencies (PMOME). This is a carry-over item from the 2016 inspection.*
5. **192.616 Public awareness (h):** Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency. *An effectiveness review was not addressed by the PEMC PMOME. This is a carry-over item from the 2016 inspection.*

Please inform us in writing by February 4, 2019 regarding your plan of action to correct these items and/or the correction made to each violation.

At this stage we need corrective action from you. However, be advised failure to plan and implement corrective action may result in enforcement actions taken against your company. In accordance with Utah Code Title 54-13-8, all violations are subject to civil penalties in the amount of up to \$100,000 per violation per day for noncompliance, with a maximum penalty of \$1,000,000 for any related series of violations.

If you have any questions concerning this inspection or the compliance process you may contact me at 801-580-7515 or call our office at 801-530-6286.

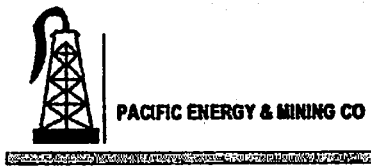
Sincerely,


Jimmy Betham
Pipeline Safety Engineer
801-580-7515
jbetham@utah.gov

***5-year inspection cycle for Utah Pipeline Safety (UTPS)**

cc: (via email)
Dan Green
Terry R. Spencer, Ph.D.
Patricia E. Schmid
Al Zadeh

EXHIBIT 2



January 3, 2019

Jimmy Betham
Pipeline Safety Engineer
State of Utah
Department of Commerce
Division of Public Utilities
160 East 300 South
PO Box 146751
Salt Lake City, UT 84114-6751

Subject: Notice of Probable Violation

Dear Mr. Betham:

Reference your letter dated January 2, 2019 our response is as follows:

Item 1.

191.17 Transportation systems; gathering systems; liquefied. Annual Report

Annual Report was filed on March 14, 2108 a confirmation was sent to your department by the United States Government. A copy of the filing is attached herewith;

Item 2

191.29 National Pipeline Mapping System:

Geospatial data was submitted to PIMMA during June, 2018. We have tried to contact the US Government, however due to closure of the Government offices we are unable to get an answer. We have uploaded the data again on January 4, 2019. See Exhibit A.

Item 3

192.616 Public Awareness (e) & (f). Municipalities, school districts, businesses and residents.

Public Awareness Notices were sent to the following on May 21, 2018:

Utah Highway Patrol
Greenriver Fire Department

Grand County Sheriff
Moab City Police
Archview Resort RV
Moab Under Canvas
Emery County Sheriff
Greenriver Mayor's Office
Moab Mayor's Office
Blue Hill Gas Plant
Canyon lands Field Airport

On January 3, 2019 we send by email the documents in Spanish and English to the Following:

City of Moab
City of Greenriver
Grand County School District
Moab Airport
Grand County Road Office

We requested the requisite governmental organizations to place the Notices for Public Awareness at their respective locations.

Item 4

We have translated the Public Awareness document to Spanish and made it available to the City of Moab, City of Greenriver, Grand County School District, Grand County Road Office and the Moab Airport.

In addition we have placed a Notice in a general circulation news paper in Grand County, Utah in Spanish and English.

Item 5

Effectiveness of the Public Awareness Program

Effective Review of Public Awareness Program Paradox Pipeline Grand County, Utah was conducted on June 1, 2018

Pacific Energy has conducted the effectiveness of its Public Awareness Program, in order to make our program effective we have emphasized the risk and hazards associated with our Natural Gas Pipeline and the dangers associated with Natural Gas Pipelines using the following metrics:

1. Public Reach

Notices have been sent to the following agencies and said notices were requested to be placed in Public Places:

City of Greenriver	Population 952
City of Moab	Population 5400
Grand County Road Department	
Moab Airport	
Grand County School District	
Grand County Sheriff	
Utah Highway Patrol	
Businesses near the Pipeline	

Thus placing the Public Awareness documents in a Public Place provided access to all interested parties.

2. Awareness

The Public is fully aware of the Program as evidenced by:

Call before you Dig 811

During 2018 we received notices from 811 for construction near our Pipeline, thus evidencing the effectiveness .

Calls to our emergency toll free number

2018 we received a single text message and telephone call concerning an odor near our Pipeline. In addition we received a call from Grand County Sheriff. The situation was immediately investigated and discovered that the odor was not coming from the Pipeline. Our emergency response was within 30 minutes from receiving the telephone call.

Public Meetings

We have conducted a General Meeting for Public Awareness on July 9, 2018 at our office located at 17 West Main Street, Greenriver, Utah. The meeting was open to the Public. We had three individuals show up at the meeting and we provided them with our Public Awareness Document .

During 2019 we have issued a Notice of Public Meeting wherein we have notified the Public through a Notice in a news paper of general circulation in the City of Moab. Moab Sun Times. This News Paper is available in Grand County as well as in Greenriver, Utah.

On January 3, 2019, we have updated our social media through our website www.pemc.us

Social Media

We have placed the Public Awareness Program on our Website:

<http://66.147.240.158/~pemcus/public-awareness-program/>

We have also placed the Operator Qualification Link our website with documents which the public can easily access and download:

<http://66.147.240.158/~pemcus/dot-operation-qualification/>

Public Contact

As we operate in Grand County, we interact with the community on a regular basis and answer any questions that the citizens have. Over the last five year we have had no incidents, we regularly make the Public aware of our presence by using the above medium.

We have copies of our Public Awareness Program at our office which is available to the Public.

We conduct a yearly review of our Public Awareness Program using the above metrics.

If you have any questions please contact the undersigned

Sincerely,

A handwritten signature in black ink, appearing to read "Tariq Ahmad". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Tariq Ahmad, SPEC, PE
President
Enclosures:

Confirmation of Mapping Data
Public Awareness Program English/Spanish
Annual Report for 2017
Notes of Public Meeting July 9, 2018
Copies of emails to Agencies/Letters to Agencies

EXHIBIT 3

SPENCER & COLLIER, PLLC

*Attorneys at Law
A Professional Corporation
140 West 9000 South, Suite 9
Sandy, Utah 84070
Telephone: (801) 566-1884
Fax: (801) 748-4022*

Terry R. Spencer, Ph.D. *

March 21, 2019

**Also licensed in Idaho*

pschmid@agutah.gov

Patricia E. Schmid, Esq.
Assistant Attorney General representing the
Division of Public Utilities
160 East 300 South, 5th Floor
PO Box 140857
Salt Lake City, Utah 84114-0856

RE: Chien Hwang

Dear Ms. Schmid:

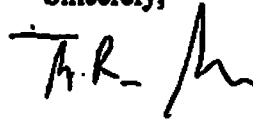
In reference to your letter dated February 7, 2019, you stated that Mr. Betham was qualified and trained pursuant to PHMSA-PL3311 and PHMSA-PL3322. You further stated that Mr. Chien Hwang has received the required training. However, only Mr. Betham took the PHMSA-PL3311 training.

Mr. Zach Barrett, Director, State Programs - PHP50 Pipeline and Hazardous Materials Safety Administration U.S. Department of Transportation, confirmed that Mr. Al Zadeh and Mr. Jimmy Betham completed the PHMSA-PL3311 Assessment Evaluation for Operator Qualification:

Mr. Al Zadeh and Mr. Jimmy Betham completed the PHMSA-PL3311 Assessment Evaluation for Operator Qualification (OQ) Seminar which satisfies the requirement for Part C item 2(a) of our Program Evaluation. PHMSA has since replaced the Seminar with PL3322 Evaluation of Operator Qualification(OQ) Programs Course. Because Mr. Zadeh and Mr. Betham completed PL3311, they are not required to take and have not taken PL3322. Thank you for your interest in pipeline safety. (See attached.)

Your letter confirmed that Mr. Hwang did not take the required PHMSA-PL3311, thus Mr. Hwang is not qualified pursuant to the US Department of Transportation to conduct inspections.

Sincerely,

A handwritten signature in black ink, appearing to read 'T.R. Spencer', with a stylized flourish at the end.

Terry R. Spencer

cc: Tariq Ahmad
Dan Green



Terry Spencer <terry@spencerandcollier.com>

Fw: Gas State evaluation Program

Barrett, Zach (PHMSA) <Zach.Barrett@dot.gov>

Thu, Mar 21, 2019 at 1:51 PM

To: Tariq Ahmad <taroll@yahoo.com>, Dan Green <dfgreen1@dslextreme.com>

Cc: Terry Spencer <terry@spencerandcollier.com>, azadeh <azadeh@utah.gov>

Chien Hwang did not complete the PHMSA-PL3311 or the PHMSA-PL3322. He did however complete the PHMSA-PL3 OQ Operator Qualification WBT Course on 1/19/2016. The PL3322 course was required for an inspector to lead an OQ inspection for CY2016 and forward – if an inspector had previously taken the PL3311 course they were not required to take the PL3322 course. The only mandatory training requirement to lead OQ inspections was the WBT prior to CY2016.

[Quoted text hidden]

RE: Gas State evaluation Program

From: Barrett, Zach (PHMSA) (Zach.Barrett@dot.gov)
To: dfgreen1@dslxtreme.com
Cc: taroil@yahoo.com; terry@spencerandcollier.com; azadeh@utah.gov
Date: Tuesday, March 19, 2019, 7:30 AM PDT

Mr. Al Zadeh and Mr. Jimmy Betham completed the PHMSA-PL3311 Assessment Evaluation for Operator Qualification (OQ) Seminar which satisfies the requirement for Part C item 2(a) of our Program Evaluation. PHMSA has since replaced the Seminar with PL3322 *Evaluation of Operator Qualification(OQ) Programs Course*. Because Mr. Zadeh and Mr. Betham completed PL3311, they are not required to take and have not taken PL3322. Thank you for your interest in pipeline safety.

From: Dan Green (mailto:dfgreen1@dslxtreme.com)
Sent: Tuesday, March 12, 2019 4:01 PM
To: Barrett, Zach (PHMSA) <Zach.Barrett@dot.gov>
Cc: Tariq Ahmad <taroil@yahoo.com>; Terry Spencer <terry@spencerandcollier.com>
Subject: Fw: Gas State evaluation Program

Dear Mr. Barrett,

Mr. Ahmad has asked me to contact you and see if we could get a letter from you explaining the State requirements?

If you have any questions, please feel free to call me on my cell 775-636-3132.

Our mailing address is:

Attn: Mr. Tariq Ahmad
Pacific Energy and Mining Company
PO Box 18148
Reno, NV 89511

Sincerely,

Dan Green

From: Tariq Ahmad

Sent: Thursday, December 20, 2018 12:51 PM

To: Public Affairs (PHMSA) ; Dan Green

Subject: Re: Gas State evaluation Program

The evaluation Part C item 2(a) states that State of Utah Inspector Jemmy Behem and the program manager Al Zadeh both have OQ training. However during sworn testimony Mr. Betham testified that he does not have OQ training ?

How is this possible

Tariq I. Ahmad SPEC

PH 775 333 6626

FAX 775 333 0225

Notice: This e-mail message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message. Please, virus check, all attachments to prevent widespread contamination and corruption of files and operating systems. The unauthorized access, use, disclosure, or distribution of this e-mail may constitute a violation of the Federal Electronic Communications Privacy Act of 1986 and similar state laws. The communication does not reflect an intention of the sender or the sender's client or principal to conduct a transaction or make an agreement by electronic means. Nothing contained in this message or in any attachment shall satisfy the requirements for a writing, and nothing contained herein shall constitute a contract or electronic signature under the Electronic Signatures Global and National Commerce Act, any version of the Uniform Electronic Transaction Act or any other statute governing electronic transactions.

From: Public Affairs (PHMSA) <PHMSA.publicaffairs2@dot.gov>
To: Tariq Ahmad <taroil@yahoo.com>
Sent: Thursday, December 20, 2018 11:50 AM
Subject: RE: Gas State evaluation Program

Mr. Ahmad,

It means the state inspector must have completed the Operator Qualification training requirement before they can conduct an Operator Qualification inspection of a pipeline operator.

Zach Barrett
Director, State Programs - PHP50
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
3700 S. MacArthur Blvd
Suite B
Oklahoma City, OK 73179-7612
Phone (405) 834-8344
Zach.Barrett@dot.gov

From: Tariq Ahmad [<mailto:taroil@yahoo.com>]
Sent: Thursday, December 20, 2018 2:02 PM
To: PHMSA Public Affairs <PHMSAPublicAffairs@dot.gov>
Subject: Gas State evaluation Program

I have attached the 2016 evaluation program for the State of Utah. I would like to know what does Part c item 2(a) mean.

For example it states that:

a. Completion of Required OQ Training before conducting inspection as lead?

What does required OQ training mean ?

Tariq I. Ahmad SPEC

PH 775 333 6626

FAX 775 333 0225

Notice: This e-mail message is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message. Please, virus check, all attachments to prevent widespread contamination and corruption of files and operating systems. The unauthorized access, use, disclosure, or distribution of this e-mail may constitute a violation of the Federal Electronic Communications Privacy Act of 1986 and similar state laws. The communication does not reflect an intention of the sender or the sender's client or principal to conduct a transaction or make an agreement by electronic means. Nothing contained in this message or in any attachment shall satisfy the requirements for a writing, and nothing contained herein shall constitute a contract or electronic signature under the Electronic Signatures Global and National Commerce Act, any version of the Uniform Electronic Transaction Act or any other statute governing electronic transactions.



Virus-free. www.avast.com

STATE OF UTAH
OFFICE OF THE ATTORNEY GENERAL



SEAN D. REYES
ATTORNEY GENERAL

Spencer E. Austin
Chief Criminal Deputy

Ric Cantrell
Chief of Staff

Tyler R. Green
Solicitor General

Brian L. Tarbet
Chief Civil Deputy

February 7, 2019

Terry R. Spencer, Ph.D.
TR Spencer & Associates, P.C.
140 West 9000 South, Suite 9
Sandy, Utah 84070
terry@spencerandcollier.com

VIA EMAIL and USPS

RE: Response to Request for Information

Dear Mr. Spencer,

The following information pertains to the request for information in your letter dated January 11, 2019 (Letter). I have now completed the required research noted in my reply email dated January 16, 2019.

In the Letter you wrote, "We hereby request to Division to confirm whether the inspectors who inspected the Paradox Pipeline are trained in Operator Qualification Training Program." In the context of the Letter as a whole, including its reference to the testimony of Mr. Jimmy Betham at the December 18, 2018 hearing for Pacific Energy & Mining Company, Docket No. 18-2602-01, I am interpreting your request as asking whether Mr. Chien Hwang and Mr. Betham are "Operator Qualified" as set forth in 49 C.F.R. Part 192.801 and 805.

Pipeline operators such as Pacific Energy & Mining Company are required to have employees satisfy the Operator Qualification requirements. Pipeline inspectors such as Mr. Hwang and Mr. Betham are not required to be Operator Qualified. Both Mr. Hwang and Mr. Betham have received the required training from the Pipeline and Hazardous Materials Safety Administration (PHMSA) to fulfill their duties as pipeline inspectors. In addition, Mr. Betham has had the following training from PHMSA:

1. PHMSA-PL3311 Assessment Evaluation for Operator Qualification (OQ) Seminar (4/21/2010);
2. PHMSA-PL3322 Evaluation of Operator Qualification (OQ) Programs Course (4/21/2010); and

3. PHMSA-PL3OQ Operator Qualification WBT Course (4/6/2010).

If you have any questions, please contact me at (801) 366-0380 or pschmid@agutah.gov.

Sincerely,



Patricia E. Schmid

*Assistant Attorney General representing the
Division of Public Utilities*

cc: Chris Parker
Al Zadeh

EXHIBIT 4



GARY HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

March 22, 2019

Via U.S.P.S. and email

Tariq Ahmad
President
Pacific Energy & Mining Company (PEMC)
3550 Barron Way, Suite 13A
Reno NV 89511

Dear Mr. Ahmad,

The Utah Public Service Commission (Commission) is authorized by Title 54, Chapter 13 of the Utah State Code to adopt rules and regulations in conformance with the Natural Gas Pipeline Safety Act of 1968, as amended, and other applicable laws. The Commission, by orders issued in Docket No. 89-999-06, has adopted Title 49 CFR Parts 190, 191, 192, 198, 199, and Part 40 along with certain subsequent amendments. Through delegation from the U.S. Department of Transportation, the Division of Public Utilities' Pipeline Safety Staff (UTPS) monitors compliance and enforces intrastate natural gas pipeline safety requirements.

This follow-up letter is issued in response to your letter dated January 3, 2019 in regard to Inspection No. 20180430JB, of Pacific Energy and Mining Company's (PEMC) 21.9 miles of 16" Intrastate Transmission Steel Pipeline. The inspection was conducted from April 30th to May 3rd, 2018. The purpose of the inspection was to review the Public Awareness Program (PAP) and Drug and Alcohol Plan (D&A).¹ UTPS also conducted a records and field audit. During the inspection a total of five probable violations, two new and three carried over from 2016, were found as noted below:

Probable Violations Found:

- 1. 191.17 Transmission systems; gathering systems; liquefied natural gas facilities; and underground natural gas storage facilities: Annual report:** During the inspection no transmission annual report was submitted by the March 15, 2018 deadline.
PEMC Response: "Annual Report was filed on March 14, 2018 a confirmation was sent to your department by the United States Government. A copy of the filing is attached herewith;"
UTPS Comments: The PHMSA "Annual Report for Calendar Year 2017 Natural or Other Gas Transmission Report" was submitted by PEMC to PHMSA on May 14, 2018. UTPS also received the report on the same date. Although submitted after the March 15, 2018 deadline, *this probable violation is cleared because the report has been received.*

¹ UTPS uses a five year inspection cycle for PEMC's PAP and its D&A.

2. **191.29 National Pipeline Mapping System:** During the inspection no geospatial data was submitted to PHMSA for use in the National Pipeline Mapping System by the March 15, 2018 deadline.
PEMC Response: "Geospatial data was submitted to PIMMA during June, 2018. We have tried to contact the US Government, however due to closure of the Government offices we are unable to get an answer. We have uploaded the data again on January 4, 2019."
UTPS Comments: PHMSA verified "no NPMS submission was received from PEMC to meet the NPMS submission requirement during 2018. A submittal was received on January 4, 2019, but reviews and processing for 2019 will not start this year until April". *This probable violation remains open.*
3. **192.616 Public awareness (e) & (f):** The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas. *No documentation was available to verify public awareness activities. Documentation required. This is a carry-over item from the 2016 inspection.*
PEMC Response: PEMC provided the following information in its January 3, 2019 response. On May 21, 2018 PEMC sent Public Awareness Notices to Stakeholder audience which included the Public Officials, Emergency Responders and nearby businesses along the pipeline Right-of-Way (ROW). Also, on January 3, 2019 Public Awareness content in Spanish and English language was sent to nearby public officials, school districts, the county road office, and the nearby airport.
UTPS Comments: Although PEMC sent notifications to the above stakeholder audience, it did not provide documentation showing how it determined the stakeholder audience as required in API RP 1162 Section 5.5 Identify Stakeholder Audiences. Also, mapping provided should show the minimum coverage area along the pipeline ROW as prescribed in API RP 1162 Section 5.5.1 Table 1. PEMC's determination process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*
4. **192.616 Public awareness (g):** The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area. *This item was not addressed by the PEMC Procedural Manual for Operations, Maintenance and Emergencies (PMOME). This is a carry-over item from the 2016 inspection.*
PEMC Response: PEMC provided the following information in its January 3, 2019 response. PEMC made available its Public Awareness Notices translated in Spanish to Stakeholder audience which included the nearby public officials, school districts, county road office, and nearby airport. In addition, PEMC placed a notice in Spanish and English in the newspaper in Grand County.
UTPS Comments: Although PEMC made notifications available to the above listed audience, it did not provide documentation showing how it determined the non-English speaking population in the operator's area as required in API RP 1162 Section 2.1 Public Education. Also, PEMC's determination process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*

5. **192.616 Public awareness (h):** Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency. *An effectiveness review was not addressed by the PEMC PMOME. This is a carry-over item from the 2016 inspection.*

PEMC Response: PEMC stated in its January 3, 2019, response that it had conducted an "Effective [sic] review" of Public Awareness Program on June 1, 2018." PEMC also stated "...in order to make our program effective we have emphasized the risks and hazards associated with our Natural Gas Pipeline natural gas pipeline ... using the following metrics: 1. Public Reach and 2. Awareness."

UTPS Comments: The documentation provided by PEMC does not meet the effectiveness review requirement in API RP 1162 Section 9 Evaluation. Also, PEMC's effectiveness review process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*

In summary, although Probable Violation No. 1 has been cleared, Probable Violations No. 2 though No. 5 remain open until the required documentation is submitted. By **April 22, 2019**, please provide UTPS with the required documentation or PEMC's plan to correct the deficiencies, including its proposed actions and dates by which it intends to submit the required documentation to UTPS.

Here are two references PEMC may find helpful when determining which documents must be submitted to UTPS. The PHMSA website offers some information about Public Awareness. Entering "public awareness" in the website's search site showed the following information, accessible at <https://search.usa.gov/search?query=public+awareness&op=GO&affiliate=dot-phmsa-2>. Also, API provides "online access to nearly 200 key industry standards . . . cover[ing] all aspects of the oil and gas industry . . . including public awareness programs." See <http://publications.api.org/>. API also has hardcopies and PDF versions available for purchase.

Be advised that failure to provide the required documentation, may result in UTPS taking enforcement actions against PEMC. In accordance with Utah Code Title 54-13-8, all violations are subject to civil penalties in the amount of up to \$100,000 per violation per day for noncompliance, with a maximum penalty of \$1,000,000 for any related series of violations.

If you have any questions concerning this inspection or the compliance process you may contact me at 801-580-7515 or call our office at 801-530-6286.

Sincerely,



Jimmy Betham
Pipeline Safety Engineer
801-580-7515
jbetham@utah.gov

cc: (via email)
Dan Green
Terry R. Spencer, Ph.D., Esq.
Patricia E. Schmid
Al Zadeh

EXHIBIT 5



April 5, 2019

Via USPS and email: jbetham@utah.gov

Mr. Jimmy Betham
Pipeline Safety Engineer
State of Utah Department of Commerce
Division of Public Utilities
160 East 300 South
Box 146751
Salt Lake City, UT 84114-6751

RE: Reference Division's letter dated March 22, 2019

Dear Mr. Betham:

This letter is in reference to your letter dated March 22, 2019. The following is our response to each of the items:

Item 2.

191.29 National Pipeline Mapping System: During the inspection no geospatial data was submitted to PHMSA for use in the National Pipeline Mapping System by the March 15, 2018 deadline.

PEMC Response: "Geospatial data was submitted to PIMMA during June, 2018. We have tried to contact the US Government, however due to closure of the Government offices we are unable to get an answer. We have uploaded the data again on January 4, 2019."

UTPS Comments: PHMSA verified "no NPMS submission was received from PEMC to meet the NPMS submission requirement during 2018. A submittal was received on January 4, 2019, but reviews and processing for 2019 will not start this year until April". *This probable violation remains open.*

PEMC Response:

PEMC submitted the data to NPMS on January 4, 2019 (see attached Exhibit "A.") The Federal government was shut-down in January. PEMC contacted NPMS and requested an estimated date the data submittal would be approved. The NPMS personnel replied that since the government shut-down all approvals would be delayed. PEMC has no control of the government shut-down. Because PEMC has not control this violation cannot be placed on PEMC, rather due to items beyond the control of PEMC, this is not a probable violation. PEMC has contacted NPMS weekly, however we have not yet received a response.

Item 3.

192.616 Public awareness (e) & (f): The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas. No documentation was available to verify public awareness activities. Documentation required. *This is a carry-over item from the 2016 inspection.*

PEMC Response: PEMC provided the following information in its January 3, 2019 response. On May 21, 2018 PEMC sent Public Awareness Notices to Stakeholder audience which included the Public Officials, Emergency Responders and nearby businesses along the pipeline Right-of-Way (ROW). Also, on January 3, 2019 Public Awareness content in Spanish and English language was sent to nearby public officials, school districts, the county road office, and the nearby airport.

UTPS Comments: Although PEMC sent notifications to the above stakeholder audience, it did not provide documentation showing how it determined the stakeholder audience as required in API RP 1162 Section 5.5 Identify Stakeholder Audiences. Also, mapping provided should show the minimum coverage area along the pipeline ROW as prescribed in API RP 1162 Section 5.5.1 Table 1. PEMC's determination process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*

PEMC Response:

PEMC used API 1162 sections 3.1, 3.2, 3.3 and 3.4. See attached (Exhibit "B"). This table is in PEMC's Appendix I, Appendix J, Appendix K and Appendix L, Public Awareness Program, respectively.

Based on 3.1 PEMC personnel reviewed the area along the pipeline and found 3 businesses which included temporary structures (tents), a residence as part of the Archview RV Park and a gas processing plant. PEMC visited all of the locations.

Based on 3.2, PEMC notified Emergency officials in Moab, Green River and Grand County, Utah.

Based on 3.3, PEMC notified public officials in Moab, Green River and Grand County, Utah.

Based on 3.4, PEMC notified one Excavator in the area, S&S Garage in Green River, Utah.

The attached maps (See Exhibits "C", "D", "E" and "F".) PEMC visited the three businesses based on the attached maps. These maps have been added to PEMC's Public Awareness Program. Based on these maps PEMC determined the three businesses were within the 660 foot buffer zone. All businesses were visited and were given documentation.

Item 4.

192.616 Public awareness (g): The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area. This item was not addressed by the PEMC Procedural Manual for Operations, Maintenance and Emergencies (PMOME). *This is a carry-over item from the 2016 inspection.*

PEMC Response: PEMC provided the following information in its January 3, 2019 response. PEMC made available its Public Awareness Notices translated in Spanish to Stakeholder audience which included the nearby public officials, school districts, county road office, and nearby airport. In addition, PEMC placed a notice in Spanish and English in the newspaper in Grand County.

UTPS Comments: Although PEMC made notifications available to the above listed audience, it did not provide documentation showing how it determined the non-English speaking population in the operator's area as required in API RP 1162 Section 2.1 Public Education. Also, PEMC's determination process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*

PEMC Response:

PEMC used API 1162 Section 2.3.1 guidelines in order to determine other languages commonly used by the significant segment of the non-English speaking population.

2.3.1 Public Education

(49 CFR Parts 192.616 and 195.440)

These regulations require pipeline operators to establish continuing education programs to enable the public, appropriate government organizations, and persons engaged in excavation-related activities to recognize a pipeline emergency and to report it to the operator and/or the fire, police, or other appropriate public officials. The programs are to be provided in both English and in other languages commonly used by a significant concentration of non-English speaking population along the pipeline.

Using the United States Census statistics and a publically available data base for the city of Green River. (See attached Exhibit "G", Exhibit "H" and Exhibit "I".) US Census does not have a separate census for the City of Green River. PEMC found Spanish to be the second most used language in its service area. Spanish being the only ethnicity with representation higher than 5%. PEMC provided Public Awareness documentation in English and Spanish.

Following table lists the summary:

	English (White)	Spanish (Hispanic)
Moab, Utah	96.6%	9.8%
Green River, Utah	63.6%	36.4%
Grand County, Utah	90.9%	10.3%

Item 5.

192.616 Public awareness (h): Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency. An effectiveness review was not addressed by the PEMC PMOME. *This is a carry-over item from the 2016 inspection.*

PEMC Response: PEMC stated in its January 3, 2019, response that it had conducted an "Effective [sic] review" of Public Awareness Program on June 1, 2018." PEMC also stated " ... in order to make our program effective we have emphasized the risks and hazards associated with our Natural Gas Pipeline natural gas pipeline ... using the following metrics: 1. Public Reach and 2. Awareness."

UTPS Comments: The documentation provided by PEMC does not meet the effectiveness review requirement in API RP 1162 Section 9 Evaluation. Also, PEMC's effectiveness review process must be included in the operator's written Public Awareness Program. *This probable violation remains open until the required documentation is provided.*

PEMC Response

PEMC used a questionnaire to measure the effectiveness of pipeline public awareness program (See Exhibit "J") and placed it in its Operators Public Awareness Program.

PEMC had contacted the Public Officials and Emergency personnel via telephone and reviewed the questionnaire.

Additionally PEMC contacted citizens within the service area and used the same questionnaire to determine the effectiveness, additionally PEMC has held an open house yearly for the public to ask questions.

In particular PEMC has contacted an excavator operator (S&S Garage,) Blue Hills processing plant, and Archview RV Park and review its effectiveness of pipeline awareness.

Mr. Jimmy Betham
April 5, 2019
Page 5 of 5

Based upon our questionnaire we have determined that PEMC Public Awareness Program meets the requirements.

If you have any questions, please feel free to call me.

Sincerely,
For Pacific Energy and Mining Company

A handwritten signature in black ink, appearing to read "Tariq Ahmad". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Tariq Ahmad
President

CC: Dan Green
Terry R Spencer, Esq.