

DEADHORSE OIL COMPANY

EXHIBIT 4



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
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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 that reads "Tariq Ahmad". The signature is written in a cursive style with a long horizontal stroke at the beginning.

Tariq Ahmad
President

CC: Dan Green
Terry R Spencer, Esq.