

APPENDIX J

**Chevron Letters Detailing
The Pipeline History & Status**

**West Cote Blanche Bay
MAR07MM001**



Kerry Mire
GOM West Facilities
Engineer Supervisor

Chevron U.S.A. Inc.
Johnston Street
Lafayette, LA. 70503
Tel: [REDACTED]
Fax: [REDACTED]

October 19, 2006

Incident Command

NTSB

Cypremont Point, Louisiana

Re: West Cote Blanche Bay 8" lateral pipeline jurisdictional status

These are the facts as they relate to the eight inch lateral tied to the Chevron U.S.A. Inc. Ivanhoe gathering pipeline system:

The subject 8" lateral pipeline was originally installed as a solely owned production pipeline by Texaco Inc. in the late 1960's as a part of a gathering system serving three 100% Texaco fields, Vermilion Bay, West Cote Blanche Bay and Cote Blanche Island Bay within the then surface boundaries of the State of Louisiana Oil, Gas and Mineral Lease 340. In 1987, the lateral was included in a partial interest sale and became jointly owned. With Chevron succeeding to the Texaco Inc. former ownership in 2002, the lateral continued to be operated as a non-jurisdictional onshore gas production gathering system under the Louisiana Department of Natural Resources (DNR) pipeline safety regulatory exemption.

Chevron purchases all of West Cote Blanche Bay gas made available at a point within the field and that purchased production is gathered by this lateral from Gulfport's West Cote Blanche Bay field to the junction platform tie-in to the Ivanhoe gathering pipeline system and commingled with Chevron Vermilion Bay production. The Cote Blanche Island Bay production was never served by the West Cote Blanche Bay lateral and is not served now by the Ivanhoe gathering pipeline system.

The lateral originates within the Gulfport Energy West Cote Blanche Bay Field at a tank battery location and terminates at a junction platform tie-in to the Ivanhoe pipeline gathering system, another 8" gathering line which is 100% owned and operated by Chevron, and which moves 100% Chevron natural gas from Chevron's Vermilion Bay field. This Ivanhoe gathering pipeline traverses shallow onshore Gulf of Mexico waters and marsh area and terminates at an onshore Columbia Gulf interconnect, in St. Mary Parish, Louisiana, an open acreage, undeveloped and isolated site.

The lateral has served either 100% or co-owned Texaco Inc. production and was operated by Texaco as a non-jurisdictional onshore gas production gathering system to serve that production. The function of the subject lateral did not change with the sale of West Cote Blanche Bay Field to Gulfport. The lateral still gathers and serves 100% Chevron natural gas (formerly Texaco) gathered to the Ivanhoe natural gas gathering system.

It is Chevron's position that it operates the lateral under the Louisiana Department of Natural Resources pipeline safety regulatory exemption for onshore gathering of gas within inlets of the Gulf of Mexico

where the pipeline, here the lateral, transports or moves natural gas from a current production facility to a transmission line or main.

Please let me know if you need further discussion or clarification by reaching me at [REDACTED].

Sincerely,

[REDACTED]
Kerry Mire



Michael T. Grogan
Senior Land Representative

Chevron U.S.A. Inc.
Gulf of Mexico Land
Johnston Street
Lafayette, LA
Tel 337
Fax 337

April 10, 2007

N.T.S.B.
Washington, D.C.
Attn: Mr. Charles Koval
By email to [REDACTED]

**Re: West Cote Blanche Bay Eight Inch Gas Sales Line
West Cote Blanche Bay Pipeline Incident – October 12, 2006**

Gentlemen:

Chevron U.S.A. Inc. responds to the NTBS April 2007 inquiry with information in the Chevron files or held in belief by Chevron, regarding the transition of ownership of the West Cote Blanche Bay eight inch gas sales line as follows:

1. By operating agreement dated July 1, 1987, Texaco Inc. recognized a fifty percent (50%) working interest in the contract area for that portion of State Lease 340 comprising the 5892.03 acres within the West Cote Blanche Dome Area of St. Mary Parish, Louisiana ("hereinafter WCBB Field") with the Pelham Group, including Pelham Partners Ltd., Fuller Petroleum, Inc., Breck Operating Corporation, Chilicote Inc. and Tesla Resources, Inc., which contract area rights recognition specifically included the eight inch West Cote Blanche Bay Field Gas Gathering Line, now known as the West Cote Blanche Bay gas sales line, commencing from the compressor station running to the junction platform.
2. On information and belief held by Chevron and as of October 12, 2006, a majority or all of the rights and interests in the July 1, 1987 operating agreement of the Pelham Group for the WCBB Field became, through a series of transactions or elections, vested in Gulfport Energy Corporation, where Gulfport Energy Corporation succeeded to and now holds the a majority of all of the rights and interest of the Pelham Group to the contract area, which includes an ownership in the West Cote Blanche Bay gas sales line.
3. Prior to May 1, 2002, Texaco Inc. assigned or delivered all of its rights and interest in the July 1, 1987 operating agreement for WCBB Field to Texaco Exploration and Production Inc.
4. By Assignment, Conveyance and Transfer dated May 1, 2002, Texaco Exploration and Production Inc. granted, conveyed, assigned, transferred and set over all of its rights and interest in any properties, facilities, leases, contracts and personal property in State Lease 340 to Chevron U.S.A. Inc., which transfer included the Texaco Exploration and

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Production Inc. rights and interest under the July 1, 1987 operating agreement for the WCBB Field.

5. As of April 1, 2007, no Texaco or Chevron entity has affirmatively sold or set over its proportionate ownership in or its right and interest to the West Cote Blanche Bay gas sales line.

Please contact the undersigned at (337) [REDACTED], should NTSB require further declaration.

Sincerely,

[REDACTED]
Michael Grogan



Kerry A. Mire
Facilities Engineer Supervisor

Asset Development - GOM
Chevron N.A. Exploration and
Production Co.

[REDACTED]
Lafayette, LA
Tel 337 [REDACTED]
Fax 337 [REDACTED]
[REDACTED]

April 19, 2007

National Transportation Safety Board
490 L'ensant Plaza East, Southwest
Washington D.C. 20594

Re: West Cote Blanche Bay (WCBB) Fire and Explosion of October 12, 2006
Offshore, Louisiana

Rod Dyck:

Chevron U. S. A. Inc. conducted a pressure test on the WCBB gas sales pipeline at a pressure of 1000 psig for 4 hours in February 2006. The pressure chart and calibration certificates have already been provided to NTSB. Since the pressure test, the WCBB gas sales pipeline did not have any need for repair and there were no problems with the WCBB gas sales pipeline up until the explosion of the WCBB gas sales pipeline on October 12, 2006.

If there are any additional questions regarding the WCBB gas sales pipeline, please contact me at [REDACTED].

Sincerely,

[REDACTED]
Kerry Mire