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Via Certified Mail - Hardcopy Requested

October 1, 2012

Mr. R.M. Seeley, Director
Southwest Region, Pipeline Hazardous Materials and Safety Administration
8701 South Gessner, Suite 1110
Houston, TX 77074

Re: Longhorn Pipeline Reversal – LMP Changes

Dear Mr. Seeley,

On February 14, 2012 Magellan Midstream Partners submitted proposed modifications to the Longhorn Mitigation Plan based upon the Proposed Project to reverse the Longhorn Pipeline to transport crude oil. As a result of continued project development activities the planned change to Mitigation Appendix, Item 22 has been modified. As previously communicated, Item 22 was completed prior to original start-up in 2005 and required the installation or relocation of check valves to mitigate potential drain down volumes. Due to the elevation profile of the line, check valves would not effectively mitigate a leak when flowing in the reverse direction in all cases except for the valve at milepost (MP) 193.4.

The planned location of valves has changed in some cases. Remote Control Valve (RCV) locations have been chosen based upon accessibility to power utilities and roads for maintenance as well as negotiations with landowners to obtain access and easement rights.

Magellan proposes to remove the check valve at MP 205.5. Magellan had originally proposed to move this valve west to Station MP 204.8. Various issues led to a second proposed site; however, an evaluation of the drain down volumes shows no benefit by moving a valve to this location over complete removal of the valve. Potential drain down volumes affected by these modifications will remain below maximum drain volumes as specified within Mitigation Appendix Item 22. All valves will be in place and functional prior to initiating crude flow from Crane to Houston. Magellan has reviewed these modifications with the Lower Colorado River Authority and they have indicated that they do not oppose to these changes.

The following table summarizes Magellan's proposed plan to replace or relocate currently installed check valves specified by Mitigation Item 22. See Attached Drain

down Summary (Attachment #1) and Drain Down profiles (Attachment #2) illustrating changes to drain down associated with the new locations.

River Basin	Approximate Current Location (Check Valve)	Approximate Revised Proposed Location	Location Description	Notes
Pedernales River (drain down volume of 200,000 gallons)	193.4	192.4	Near Flat Creek	Check Valve Propose Relocating
	194.4	194.3	Ulrich Rd and Co Rd 301	Propose Relocating – Change to RCV
	199.0	199.0	Near the Pedernales River	No change in location – Change to RCV
	199.6	199.6	West Side of Pedernales R.	No change in location – Change to RCV
	203.5	203.5	Near Cottonwood Creek	No change in location – Change to RCV
	205.5	Remove	Near Hwy 281	Propose Removing
	212.0	211.9	Near FM 1323 and Sandy School Rd	Propose Relocating – Change to RCV
	214.2	216.6	Near White Oak	Propose Relocating – Change to RCV
Colorado River between Austin and Bastrop (drain down volume of 300,000 gallons)	134.7	135.5	Near Colorado River	Propose Relocating – Change to RCV
	139.3	139.3	Near Bastrop, TX	No change in location – Change to RCV
	149.2	148.3	Close to Jenkins Road	Propose Relocating – Change to RCV
Llano River (drain down volume of 250,000 gallons)	276.6	276.8	Near the Llano River	Propose Relocating – Change to RCV
	281.0	281.0	Hwy 377 near London, TX	No change in location – Change to RCV
	284.4	282.6	London, TX	Propose Relocating – Change to RCV
San Saba River (drain down volume of 350,000 gallons)	324.7	324.7	Co. RD 245	No change in location – Change to RCV
	338.8	341.7	Eldorado, TX	Propose Relocating – Change to RCV
	346.6	346.7	Hwy 190 W. of Eldorado, TX	Propose Relocating – Change to RCV

Per Mitigation Commitment Item 39, this change to the LMP is submitted for PHMSA review and approval. The proposed change in the form of this letter is made available to the public by posting on the Magellan website. Copies of this letter are made available to the General Manager of the Lower Colorado River Authority (LCRA) and to the Mayors of Houston, Austin, and El Paso at the addresses shown below. If you have any questions or need additional information, please contact me at your convenience.

Sincerely,



Larry Davied
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Enclosures:

Attachment #1: Drain Down Summary
Attachment #2: Drain Down Volumes

Cc:

Rebecca S. Motal
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Attachment #1

Drain Down Summary

Location	Existing MP	Proposed MP		Settlement Max Drain down (gal)
		Previous	Current	
Colorado Basin	SE7	134.7	135.5	300,000
	CV8	139.3	139.9	300,000
	CV9	149.2	148.1	300,000
Pedernales Basin	CV3	193.4	193.5	200,000
	CV10	194.4	n/a	200,000
	CV11	205.5	204.8	200,000
	CV6	212.0	n/a	200,000
	CV7	214.2	213.4	200,000
	SE17	276.6	276.8	200,000
	CV13	284.4	282.6	200,000
Llano Basin	CV15	338.8	341.6	300,000
	CV 16	346.6	346.7	300,000

Location	Existing Max drain down (gal)	Proposed Max Drain down (gal)	Settlement Max Drain down (gal)
Between SE7 and CV8	116,622	99,253	300,000
Between CV8 and CV9	191,061	165,008	300,000
Between CV9 and Austin	263,689	234,965	300,000

Location	Existing Max drain down (gal)	Proposed Max Drain down (gal)	Settlement Max Drain down (gal)
Between CV3 and CV10	103,657	84,365	200,000
Between CV10 and MP 198.64	114,141	109,178	200,000
Between MP 203.44 and CV6*	80,634	155,082	200,000
Between CV6 and CV7	55,830	132,750	200,000
Between CV7 and End of Basin	136,472	136,472	200,000

*Proposing to remove CV11 based on drain down profile

Location	Existing MP	Proposed MP		Settlement Max Drain down (gal)
		Previous	Current	
Llano	Between MP 276.46 and SE17	23,573	23,573	250,000
	Between SE 17 and MP 280.94	107,937	107,937	250,000
	Between MP 280.94 and CV13	94,290	83,124	250,000
Between CV13 and End of Basin	126,547	140,194	250,000	

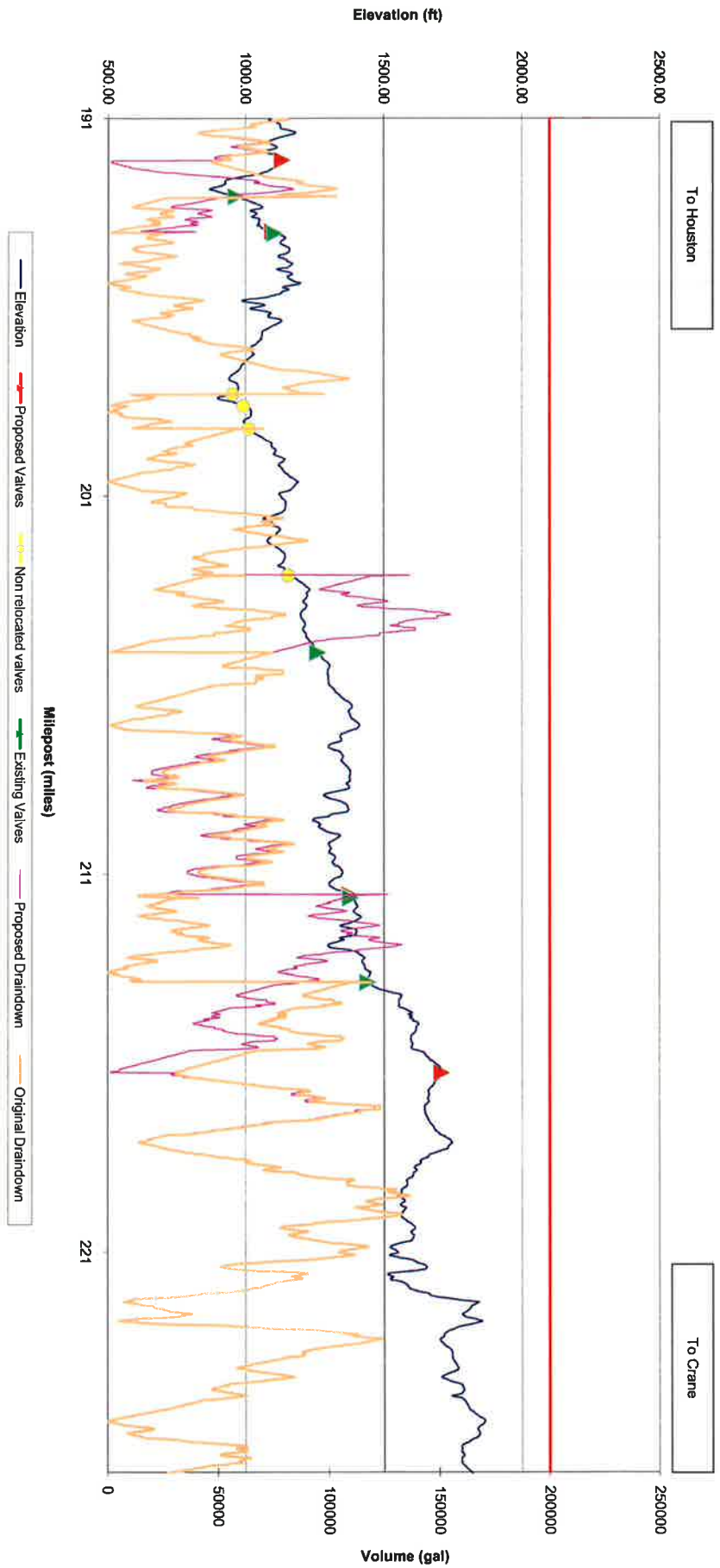
Location	Existing MP	Proposed MP		Settlement Max Drain down (gal)
		Previous	Current	
San Saba	Between MP 324.68 and CV15	181,136	246,981	350,000
	Between CV15 and CV16**	275,426	204,709	350,000

**CV 16 is at Edge of Basin, so no change west of this valve

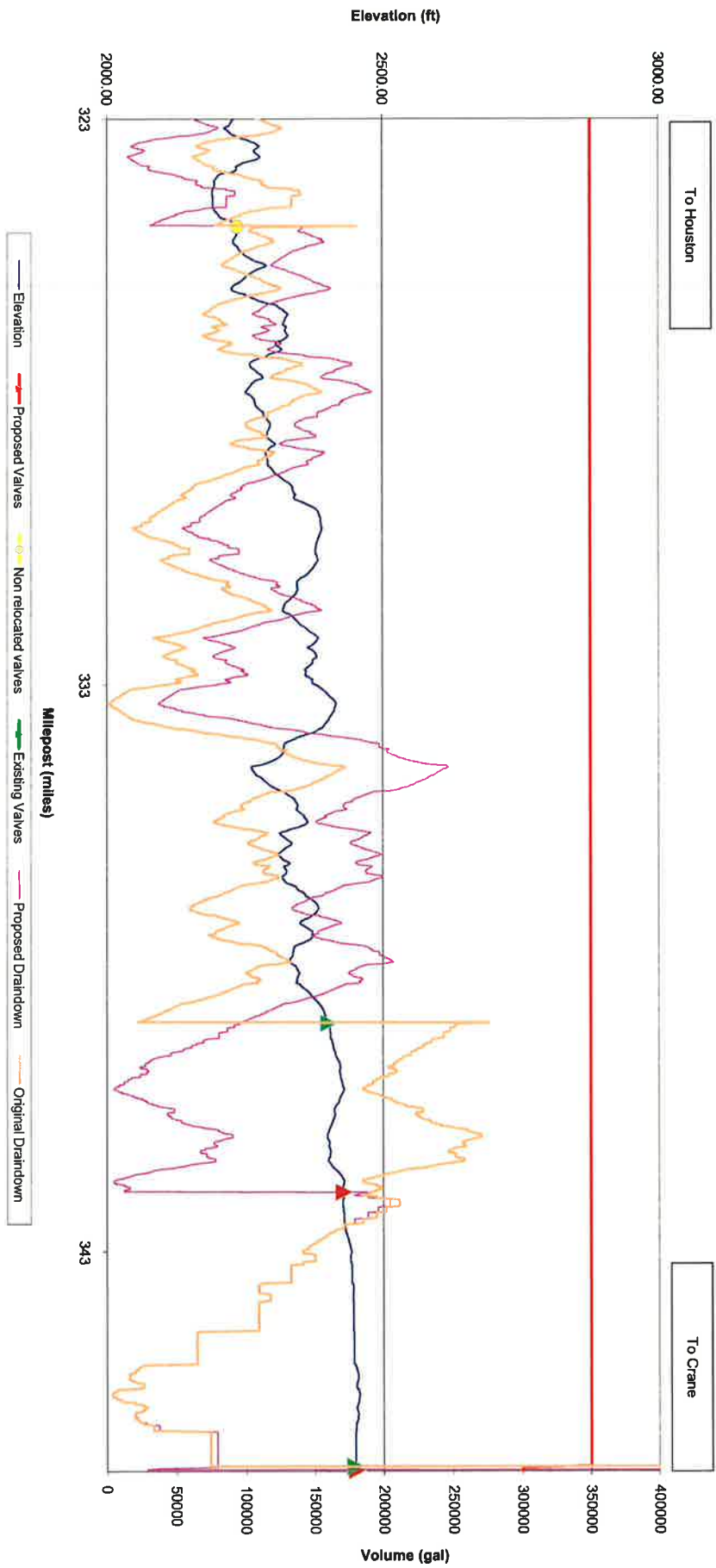
Attachment #2

Drain Down Volumes

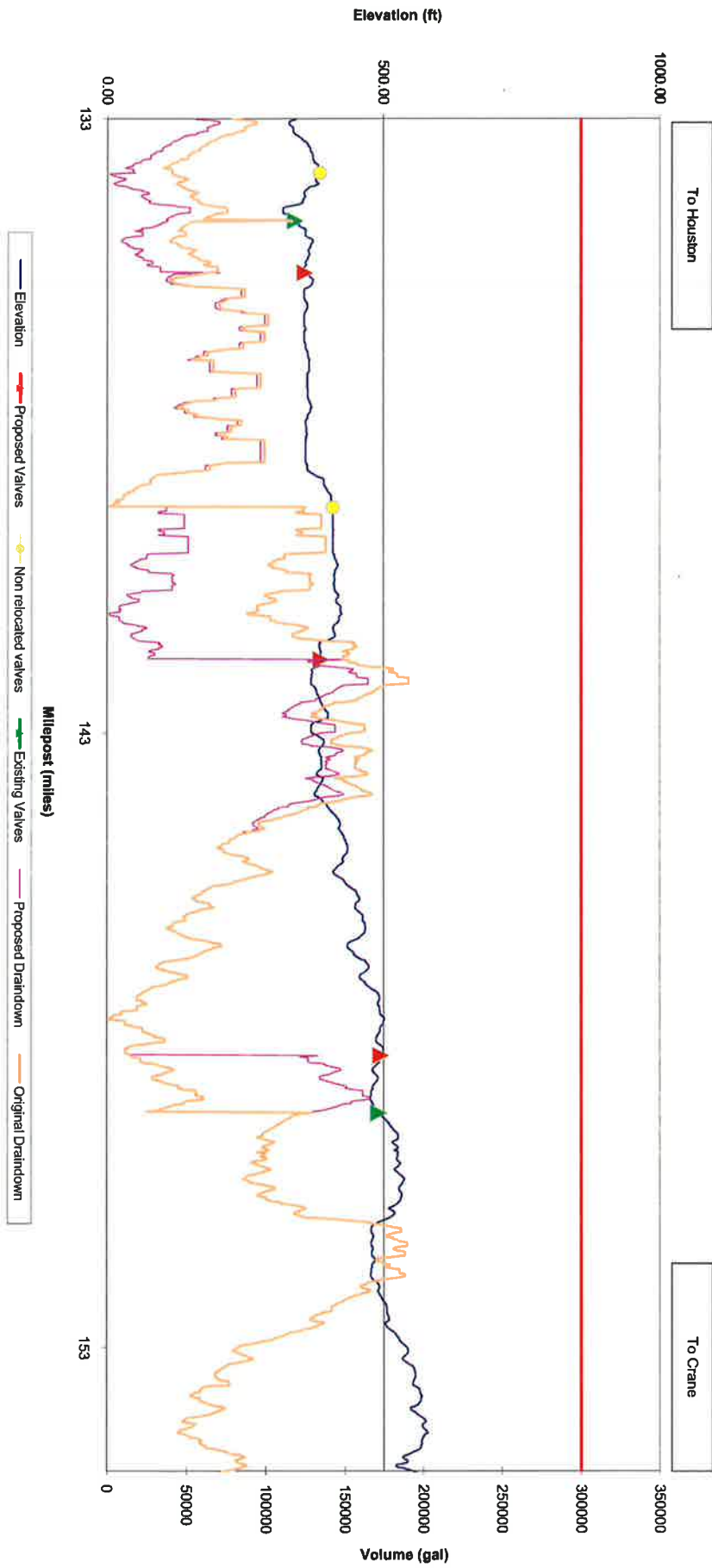
East Houston to Crane 18" Pedernales River Basin



East Houston to Crane 18" San Saba River Basin



East Houston to Crane 18" Bastrop to Austin



East Houston to Crane 18" Llano River Basin

