



February 20, 2013

To Our Driscopipe® Pipe Customers

Re: Status Report on the Investigation of Driscopipe® 8000 Pipes

Performance Pipe's investigation continues into the root cause of the degradation of certain Driscopipe® 8000 pipes. The following is a brief update on the work completed to date:

Summary to Date:

- Reports of degraded pipe are limited to only the low desert areas of the southwestern region of the US.
- The ambient temperature of the pipe locale appears to be an important factor.
- All reports have been on either Driscopipe®7000 pipes or Driscopipe®8000 pipes. No other Performance Pipe products are affected.
- Reports include pipes produced from more than one plant location.
- Reports include pipes produced in the time period from the 1970's through the 1990's.
- A small percentage of the affected pipes have experienced leaks.

Investigation Activities since the last Update:

Performance Pipe conducted a focused, non-random exhumation of Driscopipe® 8000 pipes in the low desert regions to obtain additional samples for testing. Information also was obtained on the manufacture of the pipe and installation conditions.

Performance Pipe removed soil samples adjoining the pipes and retained the services of an analytical soils laboratory to conduct tests in accordance with EPA test methods to determine the presence of volatile organic compounds (VOC), semi VOC, poly-nuclear aromatic hydrocarbons, and inorganic compounds. The soils analysis indicates a higher than average soil pH and higher than average levels of chlorides. However, we do not expect either of these two findings to have caused the degradation process of the piping material.

Performance Pipe also completed gas chromatograph mass spectrometry (GC/MS) tests on the exhumed pipe samples. Some of the samples contained chemicals that had adsorbed into the pipe wall apparently due to spills that may have occurred years earlier. Some of these chemicals could affect the degradation process. However, there was no relationship apparent between which samples contained adsorbed chemicals in the pipe wall, and which pipes experienced degradation.



Performance Pipe, a division of Chevron Phillips Chemical Company LP
5085 West Park Blvd, Suite 500, Plano, TX 75093
Telephone: 972-599-7413, livelks@cpchem.com
www.PerformancePipe.com

Path Forward:

To provide guidance to our Driscopipe® 8000 customers, Performance Pipe has retained the services of Jana Laboratories to conduct tests and provide an engineering analysis of these occurrences. Jana Laboratory's work will be complete by mid-year 2013. We will prepare a final report when the investigation is completed which should provide help and guidance for users of these products.

Please let us know if there is any further information we can provide in the meantime.

Sincerely,

KAREN LIVELY
Technical Manager

Enc: 'Frequently asked Questions' April, 2012

cc: Performance Pipe Territory Sales Managers
Heath Casteel
Allen Pearl