



**ALL AMERICAN
PIPELINE, L.P.**

January 31, 2000

Mr. Dirk Reed
Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, CA 90054-1053

B1

RE: R/W 99007/99723-1SN; Cadiz Groundwater Storage and Dry -Year Supply
Program

Dear Mr. Reed:

The purpose of this letter is to inform you of a significant change in the status of our 30-
inch diameter pipeline located near your proposed Cadiz Groundwater Storage Project.

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Our pipeline system from Emidio, CA to West Texas has been shutdown and the crude
oil in the pipeline is currently being displaced with nitrogen. This process is almost
complete from California to the New Mexico/Texas border. The section of the pipeline
from which the crude oil has been displaced will be filled with nitrogen gas at a pressure
of 50 to 100 psig.

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The pipeline will not be returned to crude oil service. It is anticipated that in the near
future this portion of our pipeline will be sold. It is likely that the pipeline at some point
will be returned to service most probably as a natural gas pipeline, but at this time that is
not known with certainty. It is also likely that all of the station equipment, piping, and
tanks associated with crude oil transportation will be removed from the Cadiz Station.

We thought you should have this information to update your project Draft EIR/EIS. If
you have any questions or would like to discuss this change further, please give me a call,
(661) 664-5345.

B1-3

Sincerely,

Jordan Janak
Director, Regulatory Compliance

cc: M. Olson
R. Gilbert
S. Madden
T. Webb
H. Cordova