

MEMO (23 Feb 54)
THRU: AC/S, G-4
To: Congl Inv Div
GILL

SUBJECT: Pipelines from Fairbanks to Fairbanks, Alaska

From: Goffredo 3 March 1954

COMMENT NO. 2

su/71969/mak

1. In compliance with Comment No. 1 the following information is furnished for use in replying to the Executive Director, Senate Permanent Subcommittee on Investigations concerning alleged "gross inadequacies" of design of subject pipelines.
2. The Fairbanks-Fairbanks KUL Pipeline was designed by the Fluor Corporation of Los Angeles under contract with the Corps of Engineers. The Fluor Corporation is a reputable engineering and construction firm that numbers among its clients the Navy Department, Atomic Energy Commission and more than twenty-eight leading oil and gas manufacturing and distribution companies, for whom it has accomplished sizeable commissions. Their volume of work for 1953 was over \$100 million.
3. Design was initiated after thorough preliminary preparations. These included a reconnaissance of the area to be traversed by the pipeline and personal inspection of the selected route by designers and representatives of the Corps of Engineers to insure feasibility of location and construction. The Fluor Corporation had available the services of a leading pipeline designer, Mr. G. B. Satchwell, who had recently completed a major pipeline project in Venezuela for the Greco Petroleum Corporation, a subsidiary of Standard Oil Corporation of New Jersey. The Corps of Engineers retained as a consultant, Mr. E. S. Smith of the Shell Oil Company, who is recognized throughout the industry as an outstanding, if not the leading authority, on design, construction and operation of cross-country pipelines. The design was based on the logistic requirements of the Army, Navy and Air Force as determined by several staff studies.
4. The Corps of Engineers has recently received a number of comments and inquiries about the pipeline. Among these was a request from Transportation Corps, Department of the Army, and the Department of the Interior to relocate a portion of the line; from a commercial testing laboratory about inspection methods to be applied to field welding; and a critical report from an engineering firm, which upon consideration disclosed no engineering deficiencies.
5. The pipeline, as planned, reflects the latest conception of a commercial type KUL products pipeline developed to meet the established requirements under the extreme conditions of climate and terrain that prevail in the area traversed. In view of the careful preliminary planning, the utilization of leading figures in the industry as consultants, and the retention of a leading engineering corporation to accomplish the design, it is the view of the Chief of Engineers that the charge of "gross inadequacies" in design is not supportable. If, however, the Senate Permanent Subcommittee on Investigations has information as to specific inadequacies, the Chief of Engineers would appreciate having such information.

FOR THE CHIEF OF ENGINEERS:

CAREY

1 Encl
w/c, 1 cy w/d

DAVID H. FULLER
Brigadier General, USA
Assistant Chief of Engineers
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BROWN

cc to: NPD
Gen Carter, G-4
Mr. Frease, ~~Tom Robinson~~ *Eng. H.H.*
Gen Robinson, Rm 1223