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MACES 3/19/12 CES

March 11, 2019

Caryn E Owens
Environmental Engineer
Air Quality Division
State of Michigan
Department of Environmental Quality
Cadillac District Office
120 West Chapin Street
Cadillac, Michigan 49601-2158

Caryn,

In response to the Notice of Violation letter for Marion Gas Plant SRN: N6160, Osceola County dated February 19, 2019 please accept this letter or explanation.

Layline Oil and Gas LLC (Layline) acquired the assets in Michigan May of 2018. Layline, being a new operator in Michigan, as such is learning the rules and regulations for Michigan.

Nov 21, 2018 11-21 Caryn Owens of DEQ notified Layline (Matt) that DEQ would complete the review of Marion Gas Plant compliance with Permit to install. She requested records from 11-1-17 through 10-31-18 to be provided by 12-5-18.

Dec 7th Layline (Coral) provided records as requested.

Dec 14th DEQ notified Layline that the request for Maintenance records and logs were struck out and provided a sample of what she needed.

Dec 15th (Layline) Coral confirmed she had included Maintenance Records from Correct Compression Operating.

Jan 2^{2} 2019 DEQ requested an analysis of H2S or total sulfur content of natural gas at Marion Gas Plant to be submitted by Jan 14th.

Jan 10th Layline provided Caryn a cert of analysis from the Marion Gas Plant.

Jan 15th DEQ notified Layline that the sample she received was for the sales meter rather than inlet.

On Feb 7th DEQ notified Layline that she had still not received a response regarding sample from inlet stream and requested it by Feb 13th.

On Feb 12th Layline did get an inlet sample however we did not get the report back until Feb 19th. It was then sent. However, the violation letter had preceded the results. The report showed on Feb 19th that there was no H2S content.

ayline Oil and Gas LLC

Layline regrets that we did not have a sample within the requested period and attempted to comply as soon as possible. Please accept the provided report to indicate that H2S is not present from the inlet and the understanding that we will make every effort to remain in compliance with required tests timely in the future.

Regards

Layline Oil and Gas LLC