

STATE OF MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY SAGINAW BAY DISTRICT OFFICE



DIRECTOR

September 18, 2014

Mr. Jon Reynolds, President Tuscola Energy, Inc. 920 North Water Street, Suite 213 Bay City, Michigan 48708

SRN: N8276, Tuscola County

Dear Mr. Reynolds:

SECOND VIOLATION NOTICE

On August 13, 2014, the Michigan Department of Environmental Quality (MDEQ) visited your Mowery & Bernia crude oil production facility located in Wisner Township, Michigan. The purpose of this inspection was to determine your facility's compliance with the requirements of the Office of Oil Gas and Minerals (OOGM) Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451). The facility is also covered by air use permit 188-10 issued by the MDEQ – Air Quality Division (AQD).

On August 27, 2014, the AQD sent the company a Violation Notice citing violations discovered as a result of the inspection and requested your written response by September 17, 2014. A copy of that letter is enclosed for your reference. As of this date, we have not received your response.

Please be advised that failure to respond in writing and identifying actions the company will take or has taken to resolve the cited violations may result in escalated enforcement action by the AQD. Please provide the information requested in our August 28, 2014 letter by October 2, 2014, which corresponds to 14 days from the date of this letter.

Be further advised that issuance of this Violation Notice does not preclude or limit the DEQ's ability to initiate any other enforcement action under state or federal law as appropriate.

If you have any questions regarding the violations or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,

Ben Withoff

Ben Witkopp Environmental Engineer Air Quality Division

989-894-6219

BW/ai

cc: Ms. Lynn Fiedler, DEQ

Ms. Mary Ann Dolehanty, DEQ

Ms Teresa Seidel, DEQ

Mr. Thomas Hess, DEQ

Mr. Jim Armbruster, DEQ

Mr. Chris Hare, DEQ