



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
CADILLAC DISTRICT OFFICE



LIESL EICHLER CLARK  
DIRECTOR

February 19, 2019

Ms. Shelia Wilkes, Regulatory Specialist  
Layline Energy  
820 Gessner Road, Suite 1145  
Houston, Texas 77024

SRN: N6160, Osceola County

Dear Ms. Wilkes:

### **VIOLATION NOTICE**

On November 14, 2018, the Michigan Department of Environmental Quality (MDEQ), Air Quality Division (AQD), conducted an inspection of Layline Energy – Marion Gas Plant located at 18811 5th Avenue in Marion Township, Marion, Michigan. The purpose of this inspection was to determine Layline Energy – Marion Gas Plant compliance with the requirements of the federal Clean Air Act; Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451); the Air Pollution Control Rules; and the conditions of Permit to Install (PTI) number 719-96.

During this inspection, Layline Energy – Marion Gas Plant was unable to produce inlet gas analysis records.

This is a violation of (the recordkeeping and emission limitations) specified in Special Condition Number 24 of PTI 719-96.

The conditions of PTI 719-96 require that the oil and gas facility shall process only sweet gas as defined by Rule 336.1119. As of the date of this letter, AQD has not received the inlet gas analysis completed at the facility to show that only sweet gas is processed at the facility.

Please initiate actions necessary to correct the cited violation and submit a written response to this Violation Notice by March 12, 2019 (which coincides with 21 calendar days from the date of this letter). The written response should include: an explanation of the cause of the violation; a summary of the actions that have been taken and are proposed to be taken to correct the violation and the dates by which these actions will take place; and what steps are being taken to prevent a reoccurrence.

Please submit the written response to the Cadillac District Office, MDEQ-AQD, at 120 West Chapin Street, Cadillac, Michigan 49601 and submit a copy to Ms. Jenine Camilleri, Enforcement Unit Supervisor at the MDEQ-AQD, P.O. Box 30260, Lansing, Michigan 48909-7760.

Ms. Sheila Wilkes  
Page 2  
February 19, 2019

If Layline Energy believes the above observations or statements are inaccurate or do not constitute violations of the applicable legal requirements cited, please provide appropriate factual information to explain your position.

Thank you for your attention to resolving the violation cited above and for the cooperation that was extended to me during my inspection of Layline Energy – Marion Gas Plant. If you have any questions regarding the violation or the actions necessary to bring this facility into compliance, please contact me at the number listed below.

Sincerely,



Caryn E. Owens  
Environmental Engineer  
Air Quality Division  
231-878-6688

cc: Mr. Matt Maciag, Layline Energy  
Ms. Mary Ann Dolehanty, MDEQ  
Dr. Eduardo Olaguer, MDEQ  
Mr. Christopher Ethridge, MDEQ  
Ms. Jenine Camilleri, MDEQ  
Mr. Shane Nixon, MDEQ