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October 8, 2024

Air Quality Division  
Michigan Department of Environment, Great Lakes, and Energy (EGLE)  
P.O. Box 30473  
Lansing, MI 48909-7973

Subject: Response to Air Quality Violation Letter – Hound Resources - SRN: B5588 Wexford County

Dear Ms. Puite,

I am writing on behalf of Hound Resources, LLC, in response to the Air Quality Violation Letter issued by the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on September 17, 2024, concerning our facility located at 7 Mile Road, Buckley, MI 49620. We take these matters seriously and are committed to resolving the identified issues in full compliance with environmental regulations.

Following the notice, we conducted a thorough internal investigation to identify the causes of the violations and outline the corrective and preventive measures we have implemented. Below is a summary of our findings:

**1. PTI 140-22: Testing / Sampling V.1**

Summary: At the time of request, a current Wet Gas Analysis was not available due to a lapse in field oversight, resulting in a violation of air quality standards.

Corrective Actions Taken: NorthStar Operating ordered the required analysis on behalf of Hound Resources on August 26, 2024. However, due to a communication error, the results were not received in a timely manner. A new request was made directly to SPL on October 7, 2024. SPL conducted the necessary sampling on October 10, 2024. The completed report is included in this response.

Preventive Measures: To prevent future occurrences, we have arranged for SPL to conduct annual sampling on a recurring schedule to ensure compliance.

**2. PTI 140-22: Process/ Operations Restrictions, III.1**

Summary: An incorrect glycol recirculation rate of 0.41 GPM was reported, exceeding the maximum allowable rate of 0.13 GPM for EUDEHY, due to erroneous data provided by the field operator.

Corrective Actions Taken: Upon review, we identified that the incorrect calculation was applied. The formula used in the spreadsheet was meant for a different pump. We corrected the formula to reflect the actual data for the Kimray 4015 pump located at the Wexford 10 facility.

Correct Formula for the Kimray 4015 Pump:

- 8 strokes per minute
- 8 gallons of glycol per hour ÷ 60 minutes per hour
- Equals 0.13333 gallons per minute (rounded to 0.13 GPM)

Preventive Measures: To ensure accuracy moving forward, we have locked the corrected formula in the spreadsheet with a password to prevent unintentional modifications.

### **3. Documentation**

Attached to this letter are the following supporting documents:

- The Wet Gas Analysis report,
- The corrected spreadsheet demonstrates compliance with the 0.13 GPM glycol recirculation rate.

These corrective actions reflect our dedication to maintaining the high environmental standards set by EGLE. We value your guidance in ensuring continued compliance with Michigan's air quality regulations.

Should you require any further information or clarification, please do not hesitate to contact me directly at (586) 400-9530 or [jjohnston@houndresources.com](mailto:jjohnston@houndresources.com).

Thank you for your attention to this matter. We look forward to resolving this issue collaboratively and maintaining full compliance going forward.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Julie Johnston', with a long horizontal line extending to the right.

Julie Johnston  
Vice President  
Hound Resources, LLC