



135 Main Street
Marion, Michigan 49665

March 24, 2021

Sent via e-mail: owensc1@michigan.gov

Ms. Caryn Owens
Michigan Department of Environment, Great Lakes and Energy (EGLE)
Air Quality Division (AQD)
120 West Chapin Street
Cadillac, MI 49601-2158

RE: Violation Notice No. VN-011147

*Layline Oil and Gas LLC-Goose Lake Central Processing Facility (SRN: N7482)
Permit to Install (PTI) No. 220-05*

Dear Ms. Owens:

The Goose Lake Central Processing Facility (SRN: N7482) is subject to the federal New Source Performance Standards (NSPS) for Equipment Leaks of VOC From Onshore Natural Gas Processing Plants (Subpart KKK). As stated in the Violation Notice dated March 9, 2021, the required semi-annual reports have not been submitted to EGLE-AQD since 2018. The leak survey and reporting is required by 40 CFR 60.487, 40 CFR 60.636(a), Leak Detection and Repair (LDAR) Plan (*July 30, 2013, Revised December 17, 2013*) and PTI 220-05.

Surveys were conducted on January 25, 2018 and April 26, 2018 by Dart Oil and Gas Corporation prior to the sale to Layline Oil and Gas LLC (Layline). This report was submitted and dated June 30, 2018. A survey was completed by Layline personnel on August 1, 2018, but the results were not reported. Unfortunately, it appears that Layline personnel misunderstood the regulations and determined that semi-annual monitoring and reporting was no longer required. As a result, the quarterly surveys did not take place in Q4 2018, Q1 2019, Q2 2019, Q3 2019, Q4 2019, Q1 2020, Q2 2020, Q3 2020 and Q4 2020. The semi-annual reports were not completed for the second half of 2018, first and second half of 2019, and the first and second half of 2020. Layline has contracted with an environmental consultant to become compliant NSPS Subpart KKK going forward.

Layline is currently scheduling to conduct the survey at the Goose Lake Facility. The intention is to complete a survey by the end of March to ensure a first quarter survey. The surveys will be scheduled



to be completed on a quarterly basis going forward. The results of the surveys will be sent to Gosling Czubak Engineering Sciences, Inc. (GCES) who will complete the required semi-annual reporting.

Please feel free to contact myself, or Eric Vincke with any questions or comments.

Sincerely,

A handwritten signature in blue ink, appearing to read 'W. Hyman', is written over the printed name.

Layline Oil and Gas LLC
Wayne Hyman, Vice President Engineering/ Operations

Cc:

Ms. Jenine Camilleri, EGLE (hardcopy)
Mr. Christopher Lewis, Layline (via email)
Mr. Matt Maciag, Layline (via email)
Mr. Greg Gray, Layline (via email)
Mr. Eric Vincke, GCES (via email)

Puite, Tammie (EGLE)

From: Owens, Caryn (EGLE)
Sent: Thursday, March 25, 2021 12:20 PM
To: Nixon, Shane (EGLE)
Cc: Puite, Tammie (EGLE)
Subject: FW: Violation Notice No. VN-011147
Attachments: VN response.pdf

Hi Shane,

This is just FYI... I will look into this and see if I need anymore information, but I wanted to share it with you.

Let me know if you have any questions.

Thanks!

~ Caryn ☺

From: Wayne Hyman <whyman@laylineenergy.com>
Sent: Thursday, March 25, 2021 12:03 PM
To: Owens, Caryn (EGLE) <OwensC1@michigan.gov>
Cc: Matt Maciag <mmaciag@laylineenergy.com>; Gregory Gray <ggray@laylineenergy.com>; Chris Lewis <clewis@laylineenergy.com>; Eric Vincke (etvincke@goslingczubak.com) <etvincke@goslingczubak.com>
Subject: Violation Notice No. VN-011147

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Ms. Owens

Please find attached our response to the March 9,2021 notice of violation which outlines the history of where we are at present, the corrective actions taken and future measures implemented to prevent a reoccurrence. The original response letter is being mailed to you today.

Thank you for bringing this matter to our attention.

Wayne Hyman
Layline Oil and Gas, LLC